

## PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. LEE of Georgia: A bill (H. R. 15523) making an appropriation to be expended under the provisions of the act of March 1, 1911 (36 Stat., p. 961), entitled "An act to enable any State to cooperate with any other State or States, or with the United States, for the protection of watersheds of navigable streams, and to appoint a commission for the acquisition of lands for the purpose of conserving the navigability of navigable rivers," as amended; to the Committee on Agriculture.

By Mr. STEENERSON: A bill (H. R. 15524) to amend an act entitled "An act to provide revenue to defray war expenses, and for other purposes," approved October 3, 1917; to the Committee on the Post Office and Post Roads.

By Mr. ESCH: A bill (H. R. 15525) to provide for the establishment on the Mississippi River, in the State of Wisconsin, of a fish-rescue station, to be under the direction of the Bureau of Fisheries of the Department of Commerce; to the Committee on the Merchant Marine and Fisheries.

By Mr. CROWTHER: Joint resolution (H. J. Res. 436) making June 1 a legal holiday; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 437) repealing the tariff act of October 3, 1913, commonly known as the Underwood tariff measure, and reenacting the act of July 24, 1897, commonly known as the Dingley tariff measure; to the Committee on Ways and Means.

By Mr. SINCLAIR: Joint resolution (H. J. Res. 438) requesting the President of the United States to protest against the retention of the French colored troops in the occupied area of Germany; to the Committee on Foreign Affairs.

By Mr. MAPES (by request of the Commissioners of the District of Columbia): Joint resolution (H. J. Res. 439) to provide for the maintenance of public order and the protection of life and property in connection with the presidential inaugural ceremonies in 1921; to the Committee on the District of Columbia.

By Mr. KAHN: Joint resolution (H. J. Res. 440) directing the Secretary of War to cease enlisting men in the Regular Army of the United States, except in the case of those men who have already served two or more enlistments therein; to the Committee on Military Affairs.

By Mr. VOLK: Resolution (H. Res. 632) to investigate the enforcement of the eighteenth amendment to the Constitution; to the Committee on Rules.

By Mr. STEENERSON: Resolution (H. Res. 633) authorizing the consideration of a new section in House bill 15441, a bill making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1922; to the Committee on Rules.

## PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOIES: A bill (H. R. 15526) granting a pension to Sarah M. Youngs; to the Committee on Pensions.

By Mr. BURROUGHS: A bill (H. R. 15527) granting a pension to Helen I. Tilton; to the Committee on Invalid Pensions.

By Mr. CLARK of Florida: A bill (H. R. 15528) granting an increase of pension to Sarah V. Cribb; to the Committee on Pensions.

By Mr. DALLINGER: A bill (H. R. 15529) granting a pension to Charles W. F. Hamilton; to the Committee on Invalid Pensions.

By Mr. EDMONDS: A bill (H. R. 15530) for the relief of Ephraim Lederer, collector of internal revenue for the first district of Pennsylvania; to the Committee on Claims.

By Mr. HUDSPETH: A bill (H. R. 15531) to authorize the payment of a certain amount for damages sustained by collision with a motor truck of an automobile owned by W. F. Payne, El Paso, Tex.; to the Committee on Claims.

By Mr. HULINGS: A bill (H. R. 15532) to correct the military record of Thomas W. Duerner; to the Committee on Military Affairs.

By Mr. JOHNSON of Washington: A bill (H. R. 15533) to validate the war-risk insurance of Warren O. Grimm, Ernest Dale Hubbard, Arthur McElfresh, and Ben Casagrande, who were murdered while parading in the uniform of the United States Army at Centralia, Wash., November 11, 1919; to the Committee on Interstate and Foreign Commerce.

By Mr. KINKAID: A bill (H. R. 15534) granting a pension to Amella C. Martin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15535) granting a pension to Fedilia Avery; to the Committee on Invalid Pensions.

By Mr. LAMPERT: A bill (H. R. 15536) granting a pension to Julia A. Kelsey; to the Committee on Invalid Pensions.

By Mr. LONGWORTH: A bill (H. R. 15537) granting a pension to Amanda Kenney; to the Committee on Pensions.

Also, a bill (H. R. 15538) granting an increase of pension to Wyman Cottle; to the Committee on Pensions.

By Mr. MCKINLEY: A bill (H. R. 15539) granting a pension to Juliette Boon; to the Committee on Invalid Pensions.

By Mr. MOORE of Ohio: A bill (H. R. 15540) granting an increase of pension to Wood C. Wilson; to the Committee on Pensions.

By Mr. MOTT: A bill (H. R. 15541) granting a pension to Fred J. Griffin; to the Committee on Pensions.

By Mr. WOOD of Indiana: A bill (H. R. 15542) granting a pension to Julia A. Gardner; to the Committee on Invalid Pensions.

By Mr. MANN of Illinois: Resolution (H. Res. 631) appointing Henry N. Couden chaplain emeritus of the House of Representatives; to the Committee on Accounts.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4825. By Mr. FULLER of Illinois: Petition of the United Commercial Travelers' Association, favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4826. By Mr. IRELAND: Petition by various women voters of Peoria, Ill., opposing the passage of House bill 10925; to the Committee on Interstate and Foreign Commerce.

4827. By Mr. LANHAM: Petition of Fort Worth Chamber of Commerce, favoring Mexican immigration for farm labor, same to be provided for in the pending immigration bill; to the Committee on Immigration and Naturalization.

4828. By Mr. NELSON of Wisconsin: Petition of American citizens of Polish descent of Lublin, Wis., regarding the Polish question; to the Committee on Foreign Affairs.

4829. Also, petition of Local No. 2210 of United Brotherhood of Carpenters and Joiners of America, requesting repeal of wartime sedition law; to the Committee on the Judiciary.

4830. By Mr. O'CONNELL: Petition of International Union of Steam and Operating Engineers, Local No. 670, 589 Ninth Avenue, New York City, urging an appropriation of \$5,472,900, as recommended by the Secretary of the Treasury, for the operating force for public buildings; to the Committee on Appropriations.

4831. By Mr. TAYLOR of Colorado: Petition of the women voters of Salida, Colo., protesting against the maternity bill (H. R. 10925); to the Committee on Interstate and Foreign Commerce.

4832. By Mr. ZIHLMAN: Petition of Ladies' Cooperative Society of Silver Springs, Md., favoring the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

## SENATE.

THURSDAY, January 6, 1921.

Rev. J. J. Muir, D. D., offered the following prayer:

Our Father and our God, we bless Thee for every expression of Thy mercy and for the continuance of Thy providence toward us in richness and blessing. Regard us this morning, we beseech of Thee, and help us so to fulfill the day with the tasks appointed that when the evening hour comes we can be assured of Thy benediction. We ask it for Thy great name's sake. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

## ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

S. 390. An act for the relief of Peter McKay; and  
S. 2371. An act for the relief of Kathryn Walker.

## CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Heflin	McNary	Smoot
Ball	Henderson	Nelson	Spencer
Beckham	Hitchcock	New	Sterling
Calder	Johnson, Calif.	Nugent	Sutherland
Capper	Jones, N. Mex.	Overman	Thomas
Culberson	Jones, Wash.	Page	Trammell
Curtis	Kellogg	Phelan	Underwood
Dillingham	Kenyon	Phipps	Wadsworth
Elkins	Kling	Poindeexter	Walsh, Mass.
Fletcher	La Follette	Robinson	Walsh, Mont.
Gerry	Lenroot	Sheppard	Warren
Glass	McCumber	Simmons	Williams
Gronna	McKellar	Smith, Md.	Wolcott
Harris	McLean	Smith, S. C.	

Mr. GRONNA. I was requested to announce that the Senator from Nebraska [Mr. NORRIS] and the Senator from Connecticut [Mr. BRANDEGEE] are engaged on business of the Senate.

Mr. KING. I was requested to announce the absence of the Senator from Oregon [Mr. CHAMBERLAIN], the Senator from Louisiana [Mr. RANDELL], and the Senator from South Dakota [Mr. JOHNSON] on account of illness; also the absence of the Senator from Nevada [Mr. PITTMAN], the Senator from South Carolina [Mr. DIAL], the Senator from Wyoming [Mr. KENDRICK], and the Senator from Virginia [Mr. SWANSON] on official business of the Senate.

The VICE PRESIDENT. Fifty-five Senators have answered to the roll call. There is a quorum present.

#### PETITIONS.

Mr. CAPPER presented a petition of the Chamber of Commerce of Ottawa, Kans., praying for the enactment of legislation providing for a 1-cent drop-letter postage rate, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted by the fifteenth annual session of the International Farm Congress, held at Kansas City, Mo., favoring a more restricted immigration policy, which was referred to the Committee on Immigration.

#### BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TRAMMELL:

A bill (S. 4794) to amend sections 216 and 223 of chapter 18 of the United States Statutes at Large, being the revenue act of 1918, approved February 24, 1919; to the Committee on Finance.

By Mr. SPENCER:

A bill (S. 4795) granting an increase of pension to John B. Senecal; to the Committee on Pensions.

By Mr. SUTHERLAND:

A bill (S. 4796) for the relief of Emma J. McKusick; to the Committee on Claims.

By Mr. NELSON:

A bill (S. 4797) for the relief of Hans P. Guttormsen (with an accompanying paper); to the Committee on Claims.

#### SEATS AT INAUGURAL PARADE.

Mr. PHIPPS. I introduce a joint resolution, which I ask may be read at length.

The joint resolution (S. J. Res. 239) prohibiting the Commissioners of the District of Columbia from obstructing the parks, reservations, streets, avenues, and sidewalks in said District, and for other purposes, was read the first time by its title and the second time at length, as follows:

*Resolved, etc.* That the Commissioners of the District of Columbia be, and are hereby, prohibited from encumbering, or permitting the encumbering, with stands, platforms, seats, benches, or other obstructions, any of the parks, reservations, streets, avenues, and sidewalks in said District, during the period from February 28, 1921, to March 10, 1921, both inclusive.

Sec. 2. That the Secretary of War is hereby prohibited from encumbering, or permitting the encumbering, with stands, platforms, seats, benches, or other obstructions, any of the public parks, reservations, streets, avenues, and sidewalks in said District during said period.

*Provided*, That the foregoing provisions shall not apply to the White House Grounds nor to Jackson or Lafayette Squares.

*Provided further*, That permits may be granted, in the discretion of said Commissioners of the District of Columbia, for the erection of stands to be used for viewing the parade of March 4, 1921, on the following conditions, viz: That no seats shall be reserved, and no charge exceeding \$1 in cash for each seat shall be made. That no tickets shall be sold, but sales of seats shall be made only to those who are willing to occupy them at the time of purchase; and no return checks shall be issued to anyone desiring to leave said stands at any time.

Sec. 3. That any person violating any of the provisions of this resolution shall be guilty of a misdemeanor, and shall be punished by a fine of not less than \$100 or more than \$1,000, or by imprisonment in the District of Columbia Jail for a period of not less than three days or more than 30 days, or by both such fine and imprisonment, in the discretion of the court.

Mr. PHIPPS. Mr. President, the joint resolution which I have introduced follows the general line of the resolution in-

troduced by the Senator from Minnesota [Mr. NELSON], with an additional provision which I believe will make it possible for visitors coming to the District for Inauguration Day to be furnished with proper seats in suitable localities without being submitted to extortionate charges. To avoid trading in tickets and speculating it seems to me necessary absolutely to prohibit the use of tickets so that those desiring seats should take their chances, coming in turn on the principle of first come, first served. If for any reason they desire to leave their seats at any time the parade is passing or before they have finished the use of the seats, it will be only necessary for them to pay an additional charge for readmission, which would be limited to the amount of \$1.

I move that the joint resolution be referred to the Committee on the District of Columbia.

The motion was agreed to.

#### RESTRICTION OF IMMIGRATION.

Mr. PHIPPS submitted an amendment intended to be proposed by him to the bill (H. R. 14461) to provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes, which was referred to the Committee on Immigration and ordered to be printed.

#### ATMOSPHERIC NITROGEN.

Mr. WADSWORTH submitted five amendments intended to be proposed by him to the bill (S. 3390) to provide further for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the products of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed-nitrogen production, and for other purposes, which were ordered to lie on the table and be printed.

#### ANNIVERSARY OF LANDING OF PILGRIM FATHERS (S. DOC. NO. 351).

Mr. UNDERWOOD. Mr. President, some time ago in pursuance of a joint resolution passed by Congress, approved May 13, 1920, the Vice President appointed a committee of the Senate to cooperate with a committee of the House at the celebration of the three hundredth anniversary of the landing of the Pilgrim Fathers. The committee consisted of the Senator from Massachusetts [Mr. LODGE], the Senator from Ohio [Mr. HARDING], and myself. The three hundredth anniversary was celebrated in December, and the Senator from Massachusetts [Mr. LODGE], as chairman of the Senate committee, delivered the address. I ask unanimous consent that the address may be printed as a Senate document. It was an occasion of national interest and the address was one to meet it, and I think it should be preserved as a Senate document.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

#### CHANNEL TO CHARLESTON NAVY YARD.

The VICE PRESIDENT (at 12 o'clock and 15 minutes p. m.). The morning business is closed.

Mr. BALL. Mr. President, I move that the Senate proceed to the consideration of Senate bill 3395, being Order of Business 331.

The VICE PRESIDENT. The question is on the motion of the Senator from Delaware.

Mr. UNDERWOOD. I should like to have the bill for which the Senator from Delaware asks consideration stated, in order that we may know what it is. I could not tell from the Senator's request, as he merely referred to the bill by number.

The VICE PRESIDENT. The Secretary will read the bill by title.

The READING CLERK. A bill (S. 3395) to discontinue the improvement to provide a channel extending from the sea to the Charleston Navy Yard.

Mr. SMITH of South Carolina. Mr. President, I hope the Senator from Delaware will not press his motion for the consideration of the bill this morning, for the reason that I have asked the Navy Department to furnish me with the data as to what has been done since the adjournment of Congress which bears directly on the subject matter of the bill. The information for which I have asked includes facts as to the width of channel now being dredged from the sea to the Charleston Navy Yard; under what appropriation that dredging is being done; and what work, if any, has been done upon the dry dock at that place which was not begun previously to the adjournment of Congress. I was informed just previously to coming to the Senate Chamber this morning that the department will perhaps by to-morrow noon have this information available for me.

It is very important that the Senate should have all the facts in the proper form in order that a subject of so much magni-

tude not alone to the South Atlantic but to the whole country may be thoroughly and fairly discussed on the floor.

Mr. BALL. Mr. President, I think the senior Senator from South Carolina has had ample time to secure all the information in reference to this bill which he desires. As for the necessity of the Senate having information, I can state exactly the amount which has been spent for this work from the appropriation. At the time this bill was being considered the Naval Committee unanimously passed a resolution requesting that no money be expended from the appropriation until the matter could be investigated. I delayed calling up the bill at the request of the senior Senator from South Carolina during the second session of the present Congress, but I notified the Senator early in this session that I was going to call the bill up at an early date.

I had written to the department, not knowing that they had expended any of the money after having been requested by the committee not to do so, but I find they have expended of the \$1,500,000 appropriated for this new project about \$1,200,000 up to the 1st of November last. Since that time they have expended a part of the remaining \$300,000; I do not know how much.

Mr. President, unless it is the intention to build a dry dock 1,000 feet in length at Charleston, the dredging of that channel for 22 miles to a 40-foot depth and a width of 1,000 feet is simply a waste of public funds. There is already there a channel 30 feet in depth and 500 feet in width, which is ample for any draft of vessels that the dry dock now at Charleston can accommodate.

Mr. ROBINSON. Will the Senator from Delaware yield for a question?

Mr. BALL. Certainly.

Mr. ROBINSON. Would the Senator be interested in stating what is his objection to waiting until the information for which the Senator from South Carolina has asked is furnished to the Senate?

Mr. BALL. I have no objection to waiting until that be done if it is not merely a method of delay. I requested the senior Senator from South Carolina four weeks ago to obtain whatever information he desired.

Mr. ROBINSON. The Senator from South Carolina has just stated that the information will probably reach him by noon to-morrow; and I merely desire to suggest to the Senator from Delaware that, perhaps, in view of that statement of the Senator from South Carolina, no good would be accomplished by pressing action before that information shall have been received. I, for one, should like to have it.

Mr. BALL. I wish to give the Senator from South Carolina every opportunity to secure whatever information he desires, and if he will permit the bill to be called up and disposed of as soon as he obtains the information, I shall be perfectly satisfied that it will be perfectly proper to yield for that purpose.

Mr. SMITH of South Carolina. I wish to state to the Senator from Delaware that I have no disposition to delay the bill, nor have I come here with anything like a subterfuge in order to gain any time. The Charleston project is a great one; it involves great issues; and I have asked the Navy Department to furnish me with certain data of which I believed the Senator from Delaware is not possessed. The department is getting up that data for me now with all proper dispatch. I am not inclined to delay the consideration of this matter. The fact is that it seems to me now is about as good a time as any for us to decide what we are going to do. When the information comes in I shall be very glad to lay before the Senate all the facts relating to the project, the relation of the project to certain other projects; and whether the Senate sees fit to take up the bill to-morrow or to postpone its consideration, I am quite sure the Senate will extend me the right which it has always extended to every other Senator to prepare himself to discuss a matter that is not only of interest to his State but to the entire country.

Mr. BALL. Mr. President, I trust the Senator from South Carolina will receive the information within a few days in order that this matter may be speedily disposed of. A large sum of money is involved, and it is a question either of wasting that money or, if the project is to be continued and the dry dock is to be built, then proceeding with the work in a proper manner. I object to expending money on that channel unless the dry dock is to be built. As matters now stand, there is simply a waste of \$1,200,000; and, of course, an additional waste is involved if this matter is to continue from session to session, as it seems to be the disposition of some Senators to carry it along.

I have no objection, Mr. President, to granting a reasonable time to enable the senior Senator from South Carolina to secure the information which he deems proper.

Mr. SMOOT. Mr. President, I wish to ask the Senator from Delaware a question. I understood the Senator from Delaware to say that he has the information already in his possession.

Mr. BALL. I have the information obtained from Admiral Parks, the Chief of the Bureau of Docks and Construction. The figures which I have given are his figures.

Mr. SMOOT. If the Senator has that information, it seems to me it would not take more than an hour for the Senator from South Carolina to receive the same information.

Mr. BALL. That is a question for the Senate to decide.

Mr. SMITH of South Carolina. Mr. President, I have stated to the Senate—and it is not necessary for me to repeat—that I am not trying to postpone this question for the purpose of causing unnecessary delay. There are, however, certain facts which have been sent me by the Navy Department to be used here and which are not in the possession of the Senator from Delaware. Those facts are official, and for that reason I am reserving the right, which is the privilege of any Senator here, of securing the desired information.

Mr. SMOOT. I asked the Senator from Delaware if he had the information that the Senator from South Carolina has asked for, and he replied that he had.

Mr. SMITH of South Carolina. But there is additional information which will come in connection with this matter.

Mr. UNDERWOOD. Mr. President, I understand the Senator from Delaware has withdrawn his motion.

Mr. BALL. I have not withdrawn my motion and will not unless there shall be a reasonable time fixed for the consideration of this matter.

Mr. SMITH of South Carolina. I am not likely to ask for any unreasonable time. I simply am waiting upon the Navy Department to furnish me the information. When it is here, I shall be glad to have the Senator from Delaware call up this matter.

Mr. EDGE. Mr. President, I rise to a parliamentary inquiry. Is a motion to consider a bill before 2 o'clock subject to debate?

The VICE PRESIDENT. It is not.

SEVERAL SENATORS. Question!

Mr. BALL. Mr. President, I withdraw the motion to-day, with the understanding that I shall renew it to-morrow. That will give the Senator from South Carolina an opportunity to secure the information within 24 hours, and I am sure that it will only take a very short time to obtain it.

#### DISPOSITION OF EUROPEAN RELIEF FUND.

Mr. HITCHCOCK. Mr. President, the question has arisen here upon the floor as to the disposition of certain relief voted by the Congress in the year 1919, and I ask unanimous consent to make a short statement and to have certain information placed in the Record, in order that the matter may be cleared up. The appropriation was made by Congress in 1919—

Mr. LA FOLLETTE. Does the Senator refer to the \$100,000,000 appropriation?

Mr. HITCHCOCK. I refer to the \$100,000,000 appropriation.

Mr. President, the facts of the case are that Congress in 1919 appropriated \$100,000,000 for the purpose of furnishing food and other relief to the starving people of Central Europe. This work was placed in charge of Mr. Hoover. He used as his fiscal representative the United States Grain Corporation as a business proposition, and he also used such agencies as the Red Cross, Army officers, and others in the actual distribution of the relief.

On the 25th of September of the present year a formal report was made to the President of the United States on the disposition of the amount of money which Congress had appropriated, and, as the report is rather brief and is signed by Mr. Edward M. Fleisch, the vice president and treasurer of the Grain Corporation, I will read it. It is as follows:

NEW YORK, N. Y., September 25, 1920.

His Excellency WOODROW WILSON,

President of the United States, Washington, D. C.

DEAR MR. PRESIDENT: The United States Grain Corporation, having under Executive order acted as fiscal agent of the American Relief Administration covering European operations, has prepared an accounting as of to-day on the \$100,000,000 appropriation which was approved by Congress February 25, 1919 (Public 274, 65th Cong.), and we are forwarding herewith statement of account showing proper evidence of expenditure furnished to and approved by the Comptroller of the Treasury in the amount of \$94,929,246.77, and a list of cargoes and cost of service covered by the above expenditure.

A large part of the foodstuffs supplied under this appropriation was furnished to the various Governments in central and northern Europe, who have undertaken to give obligations for repayment at the cost thereof, in the amount of \$84,014,527.92, which includes the sum of \$9,170.28 remaining to be collected, as shown by certified statement

attached. This statement also shows an expenditure in the amount of \$10,923,889.13 for child feeding and other charitable services, for which no obligations of repayment were taken. The signed obligations of the various Governments are inclosed herewith.

Please note that these obligations exceed in amount owing by the various Governments on account of our having taken the obligations as security during the delivery of the foodstuffs and at a time when definite values could not be relied on. These excess obligations amount to \$13,141,324.24, and are being returned herewith for disposition.

We still have outstanding claims amounting to approximately \$100,000, which will be billed against the comptroller on the appropriation just as soon as paid vouchers can be obtained, being the evidence the comptroller requires before reimbursing the Grain Corporation. We hope shortly to be in a position to forward a further statement as to evidence of the \$100,000 expenditure referred to, thus closing the entire matter.

Yours, very truly,

EDWARD M. FLESH,  
Vice President and Treasurer.

Mr. President, that in brief gives the business summary of what was done with the \$100,000,000. That is to say, the Grain Corporation, acting as Mr. Hoover's fiscal agent, paid out approximately \$95,000,000, and took from certain Governments obligations amounting to \$84,000,000. The remaining \$10,000,000 was devoted to child relief, and was a donation, being actually distributed largely in milk and child foods to the peoples of those countries.

Mr. WARREN. Mr. President—

Mr. HITCHCOCK. I yield to the Senator.

Mr. WARREN. The information the Senator is giving us is very interesting. I should like to ask him whether he has any statement from the Grain Corporation or from Mr. Hoover as to the amount of money that it was presumed, when we appropriated that money, could be provided from the profits of the Grain Corporation and added to the \$100,000,000 appropriation?

Mr. HITCHCOCK. That was a subsequent matter, and was handled in the year 1920, when Congress authorized the Grain Corporation to distribute \$50,000,000 worth of flour; and I am not taking that up now, because I do not want to confuse the two. I am dealing now simply with the \$100,000,000 that Congress appropriated; and if the Senator will permit me, I should like to finish, so as to show what the disposition of that was.

Mr. WARREN. I have no disposition to interrupt the Senator. I simply wished to know if that appropriation was accompanied in any amount by any other fund.

Mr. HITCHCOCK. Not at all. That is a subsequent matter, as I am stating.

Mr. President, I also ask leave to put in the RECORD at this point, without reading, a communication of Mr. William R. Grove, formerly a colonel of the United States Army, addressed to Hon. JAMES REED, United States Senator, and published in the Herald of this date or yesterday, in which he shows that 11,000 tons of milk and other foodstuffs were shipped from the United States and contributed to the children's fund to the value of approximately \$4,700,000. This food was distributed directly under his supervision, as stated, through hundreds of kitchens, canteens, and asylums created for that and other purposes. This charge was borne by the \$100,000,000 fund. I will put this letter in the RECORD in full.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

DENIES EUROPEAN RELIEF FUND FED POLISH ARMY—OFFICER IN CHARGE OF FOOD DISTRIBUTION WIRES SENATOR REED THAT ONLY SURPLUS ARMY STOCKS SOLD.

NEW YORK, January 5.

Denials that American funds contributed for European relief had been used for supplying the Polish Army, as charged by Senator JAMES REED, were telegraphed to REED to-day by William R. Grove, formerly in charge of food distribution in Poland.

Surplus supplies of the Expeditionary Forces were sold the Polish Army, Grove said, but this had nothing to do with the \$100,000,000 congressional relief fund.

Grove's telegram follows:

Hon. JAMES REED,

United States Senate, Washington, D. C.:

From the press account of your statement this morning in respect to the use of a portion of the \$100,000,000 relief appropriation which expired in June, 1919, for the purposes of the Polish Army, I am convinced that you have been misinformed.

I was in charge in Poland of the distribution of all food under the \$100,000,000 relief appropriation, acting under Mr. Hoover's general direction. There were three distinct activities in Poland which may have led to confusion in your mind:

First, About 11,000 tons of milk and other foodstuffs were shipped from the United States and contributed to the children's fund to the value of approximately \$4,700,000. This food was distributed directly under my supervision, through hundreds of kitchens, canteens, and asylums created for the refuge of the children by the children's fund, which was also participated in by public charity.

The above charge was borne by the \$100,000,000 appropriation and represents a gift from the American people.

Second, Approximately 266,000 tons of food of the value of about \$50,000,000 was shipped to Poland from the United States and was distributed strictly to the civil population. This food was provided from

the \$100,000,000 relief appropriation, but the Polish Government was charged with the cost thereof and has given treasury notes in payment therefor, so that this item will be recovered to the American people. Thus the only loss to the American people amounts to the \$4,700,000 children's service mentioned above.

Despite the undertaking of the Polish Government to pay for this food, my instructions were to see that this food was strictly distributed to the civil population, and this was rigorously carried out under the direction of American Army officers. I may mention that the Polish Government paid the entire cost of distribution and no American money was ever given the Poles, the whole service being in commodities purchased in the United States.

Third, The Army liquidation board, over which the relief administration had no authority, sold to the Polish Government many thousands of tons of surplus American Army rations and supplies, again in return for Polish Government obligations, and some portion of this foodstuff was used for the Polish Army. It had, however, nothing to do with the congressional relief appropriation. The other allied Governments also supplied some food to Poland during this period.

In the broader aspects of the whole question, I may mention that if the whole Polish Army, as it stood during this period, had been supplied with such imported commodities as could be incorporated in their ration, which was not the case, it could have consumed less than 9,000 tons, or probably less than 3 per cent of the totals imported.

In any event, it is of much more importance to note that the objective of the American Government was to preserve life in the midst of famine and to reestablish order and to undermine the stimulus to anarchy and bolshevism then running rampant through a starving country. If Poland had not received this food, and if Poland had not had an army in the winter and spring of 1919, it would have gone bolshevik, thus joining the bolshevik activities of Germany and Russia, and plunging Europe into irrevocable chaos.

I am sure you will correct this misimpression you have given.

WM. R. GROVE,

Former colonel, United States Army.

105 HUDSON STREET, New York, N. Y.

Mr. PHELAN. Mr. President—

Mr. HITCHCOCK. Now, Mr. President, I want to show in a tabulated statement which I produce, furnished by Leslie, Banks & Co., chartered accountants, exactly how this relief was distributed; and I shall ask leave to insert it in the RECORD. I think I can read the whole thing, however:

#### UNITED STATES GRAIN CORPORATION.

Acting as fiscal agent of the American Relief Administration. Account of receipts from the United States Treasury out of the \$100,000,000 appropriation fund, segregated according to country to which relief was furnished.

For commodities delivered and services rendered to European Governments for which obligations of repayment were taken:

Armenia	\$8,028,412.15
Czechoslovakia	6,348,653.56
Estonia	1,785,767.72
Finland	8,281,926.17
Latvia	2,610,417.82
Lithuania	822,136.07
Poland	51,671,749.36
Nonbolshevik Russia	4,465,465.07

For this total of \$84,014,527.92 the national obligations of the countries named were taken and turned over to the Treasury of the United States.

Mr. BORAH. Mr. President—

Mr. HITCHCOCK. I yield to the Senator from Idaho.

Mr. BORAH. What part of Russia does the Senator have reference to when he says "nonbolshevik Russia"?

Mr. HITCHCOCK. I presume it was that part of Russia which at the time was in the hands of various generals who at various times opposed the Lenin-Trotsky government. I do not know anything further than that about it. It was such parts of Russia as those relief associations had access to, and of course they could not very well have had access to soviet Russia.

Mr. BORAH. Do I understand that they have securities from nonbolshevik Russia also to the amount which they expended?

Mr. HITCHCOCK. I judge so, to the extent of \$4,465,000.

Mr. BORAH. I was interested to know how they could get them.

Mr. HITCHCOCK. They were undoubtedly issued by the de facto governments or military officials who were in charge. They had about the same authority that the soviet government had in the rest of Russia, which is the authority of force, or de facto.

Mr. PHELAN. Mr. President—

Mr. HITCHCOCK. Now, then, for commodities delivered for child feeding and for other charitable services for which no obligations of repayment were taken—

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from California?

Mr. PHELAN. I do not desire to interrupt the Senator. I can wait until he finishes reading.

Mr. HITCHCOCK. Yes; I think I ought to put this in consecutively. I shall put it in the RECORD, and I will not read it in detail; but it shows that in Czechoslovakia something over \$2,000,000 was distributed as relief.

For commodities delivered for child feeding and for other charitable services for which no obligations of repayment were taken:

Czechoslovakia	\$2,261,229.96
Estonia	376,621.73
Finland	560,275.75
Latvia	493,575.52
Lithuania	279,721.53
Poland	4,743,147.07
Rumania	414,286.43
Nonbolshvist Russia	373,873.72
Serbia	1,035,407.59
Freight on Red Cross supplies	275,287.23
Freight on typhus equipment	110,462.60

The total of those items is \$10,923,000, distributed without taking back any governmental securities; in other words, a contribution of the American people.

I shall put that in the RECORD, Mr. President, but I have read this much for the purpose of showing the amount distributed to each country under the direction of Mr. Hoover and by various agencies which he employed.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

*United States Grain Corporation, acting as fiscal agent of the American Relief Administration—Account of receipts from the United States Treasury out of the \$100,000,000 appropriation fund, segregated according to country to which relief was furnished.*

NAME OF COUNTRY, ETC., AND AMOUNT.

A. For commodities delivered and services rendered to European Governments for which obligations of repayment were taken:	
Armenia	\$8,028,412.15
Czechoslovakia	6,348,653.56
Estonia	1,785,767.72
Finland	8,281,926.17
Latvia	2,610,417.82
Lithuania	822,136.07
Poland	51,671,749.36
Nonbolshvist Russia	4,465,465.07
	\$84,014,527.92

B. For commodities delivered for child feeding and for other charitable services for which no obligations of repayment were taken:	
Czechoslovakia	2,261,229.96
Estonia	376,621.73
Finland	560,275.75
Latvia	493,575.52
Lithuania	279,721.53
Poland	4,743,147.07
Rumania	414,286.43
Nonbolshvist Russia	373,873.72
Serbia	1,035,407.59
Freight on Red Cross supplies	275,287.23
Freight on typhus equipment	110,462.60
	10,923,889.13

Total	94,938,417.05
Deduct for collection not yet made on account of Government of Armenia (vouchers not received), but included above	9,170.28

Net receipts as list of cargoes and service expenditure approved 94,929,246.77

We hereby certify that the above account of receipts from the United States Treasury out of the \$100,000,000 appropriation fund is correctly stated in accordance with the books of the United States Grain Corporation, London office, as of this date.

LESLIE, BANKS & Co.,  
Chartered Accountants.

NEW YORK, September 25, 1920.

Mr. WARREN. Mr. President—

Mr. HITCHCOCK. I yield to the Senator.

Mr. WARREN. If I may ask the Senator a question, I notice that a pretty large amount—in fact, a very large amount—of this distribution went to Poland. Was that before Poland engaged in war? And is the Senator able to tell us whether any portion of that was either contributed for or used by Poland in the war?

Mr. HITCHCOCK. I think the Senator is as capable of fixing the dates as I am. The appropriation was made early in 1919, so the distribution was made almost entirely in 1919 and the winter of that year.

Mr. WARREN. What I wish to know is whether that distribution has been made at different times up to date, or whether it was made prior to some specific date, which I think the Senator has not yet given.

Mr. HITCHCOCK. I have given the date of the report. I do not know the dates of distribution. It was chiefly in the year 1919.

Mr. PHELAN. Mr. President, may I ask the Senator a question? Is this in the nature of a report to Congress?

Mr. HITCHCOCK. No, sir. This is an effort to set before the Senate the fact that this \$100,000,000 fund has been distributed in the most effective, most efficient, and most economical way, in accordance with the orders of Congress. It is intended to put before the Senate the fact which should be put

before it, that this great trust has been most admirably administered, and that, instead of giving away this vast sum of money, Mr. Hoover, as the representative of the United States, has done exactly what Congress intended that he should do. He has given the relief. Where it was possible to secure back the bonds of the country he has taken them. Where that was not possible he has made it as a contribution, which was in effect carrying out the intention of Congress, as we all remember from the discussion at the time. Many at that time expected that there would be no return at all to the United States, and nobody now is able to tell what we will realize from the \$84,000,000 of securities in the Treasury; but the fact is that the distribution has been most admirably done, largely under the supervision of officers of the United States Army, largely through the cooperation of the wonderful organization of the Red Cross, through the Quaker societies, and through the various other ones of which I shall give the names in a few moments; and not only has that been done, but a most careful accounting has been rendered by chartered accountants to show the exact distribution and the exact destination of all those reliefs.

Mr. PHELAN. Mr. President—

Mr. HITCHCOCK. If the Senator will permit me, I should like to finish this report.

Mr. PHELAN. I understood that the Senator had finished the report.

Mr. HITCHCOCK. No.

Mr. PHELAN. I should like to hear it. I am sure the Senator is speaking of his own knowledge when he indorses all these transactions.

Mr. HITCHCOCK. I do indorse them most fully. To my mind, Mr. President, Mr. Hoover to-day stands as the greatest benefactor of civilization. I think his services in contributing to saving the lives of 6,000,000 European children entitle him to be ranked as one of the great benefactors of the world; and I think we here in the Senate should give him credit, as Europe gives him credit, for the great work he has done and the businesslike way in which the matter has been transacted.

Mr. PHELAN. Do I understand, Mr. President, that these transactions have been questioned, that Mr. Hoover has been accused?

Mr. HITCHCOCK. I do not know, of course, what the Senator is referring to. I am saying that it has been charged here, and it has been charged elsewhere, that Mr. Hoover misused the funds of the United States which were put at his disposal; and I am endeavoring now to state the facts as they are.

Mr. PHELAN. I was not aware that he had been accused. I am very glad to hear that there is some *raison d'être* for this matter.

Mr. HITCHCOCK. Now, I hold in my hand Table A, consisting of a report of the United States Grain Corporation, acting as the fiscal agent of the American Relief Administration, giving a summary of the commodities delivered and the services rendered to European countries under the \$100,000,000 appropriation fund. I will not repeat the names of the countries. I shall ask leave to insert this tabulated statement in the RECORD. It shows that of breadstuffs this organization distributed to the countries which I have already named a total of 404,000,000 tons, 9,000,000 tons of rice, 13,000,000 tons of beans and peas, 26,000,000 tons of meats and fats, nearly 7,000,000 tons of milk, 1,000,000 tons of cocoa and sugar, 5,700,000 tons of cotton, 449,000 tons of miscellaneous supplies, or a total of 468,379,284 tons of these commodities of relief, almost all of them being purchased in the United States and being shipped over there. I could also give the details of how they were shipped, but I deem that not necessary.

In Table B, which I shall ask to have inserted in the RECORD, we find a summary of the total of children's relief deliveries paid for from the congressional fund, for which no funds or securities were taken up; in other words, 3,446,000 tons of breadstuffs, 4,000,000 tons of rice, 4,600,000 tons of beans and peas, 1,500,000 tons of meats and fats, 15,000,000 tons of milk, and 5,000,000 tons of cocoa and sugar.

Mr. WADSWORTH. Mr. President, is it not pounds instead of tons?

Mr. HITCHCOCK. No; tons.

Mr. WADSWORTH. Fifteen million tons?

Mr. HITCHCOCK. Metric tons. It is a perfectly huge affair, and we have no conception of the enormous relief that has been rendered. This organization has actually saved the lives of 6,000,000 children, and Mr. Hoover is engaged at the present time in a gigantic effort to raise \$33,000,000 in this country to give relief. He is heroically at work through a number of organizations to raise \$33,000,000 to bring needed relief this winter to children in the countries of central Europe.

and eastern Europe, and I am stating these facts at this time in order that the Senate may have some appreciation of the tremendous energy this man has put into operation and the wonderful cooperation he has secured from all of the great charitable organizations of the world.

Mr. WADSWORTH. I do not want to seem to detract from anything Mr. Hoover has accomplished, but 15,000,000 tons of milk is much more than a ton of milk per child.

Mr. POMERENE. Two and a half tons.

Mr. REED. Two and a half tons per child for 6,000,000 children.

Mr. WADSWORTH. It must be pounds.

Mr. LA FOLLETTE. Let it go at pounds.

Mr. GRONNA. It is probably as accurate as Mr. Hoover's statement with reference to the cost of grain.

Mr. HITCHCOCK. I shall have to verify the figures, of course. What I hold is a tabulated statement, which just came to me; and it would be an easy matter for an error to be made. Even great Senators here upon the floor make statements equally ridiculous, and I presume that these figures are subject to correction, like everything else.

Mr. GRONNA. May I ask the Senator if he is speaking for the farmers of his State in making this statement here?

Mr. HITCHCOCK. I do not understand the Senator's question. I am speaking in the interest of fairness and justice in order that this man, who has carried out the mandate of Congress to bring relief to these children of Europe, should not be misrepresented.

I think if Congress thought enough of this matter to appropriate \$100,000,000, and if the people of the United States think enough of this matter, after their resources have been so largely drawn upon, nevertheless to enter upon a great cooperative effort to raise \$33,000,000 more, the Senate ought to take enough interest in the matter to accept a business statement from the man who is charged with the distribution of this money and this relief.

Mr. President, in the summary of what I have attempted to present I may say it is shown that the whole of the purchase, shipment, and financial operation under the \$100,000,000 relief appropriation of February, 1919, was carried out by the United States Grain Corporation in accordance with Executive order. Attached hereto are the items I have presented:

- (a) Covering letter of final report to the President from the Grain Corporation.
- (b) Audited statement of receipts from the Treasury of expenditures, allocated to the different countries concerned.
- (c) List of cargoes and expenditure vouchers which were lodged with the approval of the Comptroller of the United States Treasury.
- (d) Statement of the destination and character of commodities delivered.

The comptroller's office contains the complete vouchers for all expenditures, and the files of the Grain Corporation contain the vouchers proving the delivery of the commodities to their distribution destinations. The general policy in determination of the volume of foodstuffs to be supplied to different nations under the relief was determined by Mr. Hoover, in cooperation with other officials of the Government. The assurance that the civil populations in these countries received these supplies in accordance with their needs were secured by officers of the United States Army.

It will be observed that a total of \$94,929,000 was expended from the appropriation, and that obligations for repayment of \$84,014,000 of this were taken, the balance having been almost wholly devoted to children's relief.

The Senator from Delaware [Mr. WOLCOTT] calls my attention to a mistake which I made in reading the tabulated statement, which may relieve some of the anxieties of the Senators who have become alarmed lest too much milk was sent to the children of Europe. He calls my attention to the fact that I mistook a comma for a period, so that the total of milk distributed should be 6,911 tons and eight hundred and fifty-nine thousandths, which probably explains the discrepancy.

The fact is, Mr. President, that there never has been in the history of the world a more careful investigation by men charged with the responsibility of charitable relief. There never has been in the history of the world a more careful organization to see that that relief got to the right individuals; and there never has been a more prompt report of what had been done under that than we find in this particular case.

The statement which I asked to have inserted in the RECORD, contained in a report from Col. Grove, of the United States Army, as set forth in his letter to Senator REED, contains this statement:

Despite the undertaking of the Polish Government to pay for this food my instructions were to see that this food was strictly distributed to the civil population, and this was rigorously carried out under the direction of American Army officers. I may mention that the Polish Government paid the entire cost of distribution, and no American money was ever given the Poles, the whole service being in commodities purchased in the United States.

Third. The Army Liquidation Board, over which the relief administration had no authority, sold to the Polish Government many thousands of tons of surplus Army rations and supplies, again in return for the Polish Government obligations, and some portion of this foodstuff was used for the Polish Army. It had, however, nothing to do with the congressional relief appropriation. The other allied Governments also supplied some food to Poland during this period.

In other words, Mr. President, this fund of Congress was used solely for the purpose of distributing relief directly to the civilian population of Poland, particularly to the children of Poland, and it was done by Army officers of the United States, under Col. Grove, some 50 or 60 in number.

Those who have confused the use of American supplies by the Polish Government and the Polish Army have made the mistake of assuming that it came from this relief, whereas it simply came from certain surplus military supplies which the United States sold to Poland, just as it sold to other countries in Europe, France among them. They were sold as a business proposition, because they were over there, and it was cheaper to sell them than to attempt to bring them back. Whether we will get paid for them at an early date we do not know, but the obligations of the Polish nation were taken in pay for them, and when Poland had paid for them they belonged to Poland, to be used in any way. They were not intended as relief. They were sold to Poland as a business proposition, and Mr. Hoover's organization had no control over them whatever.

Now, Mr. President, I hope Congress will do more than it has done. I think the Congress of the United States, which has already been liberal with the people's money, should adopt a resolution such as has been introduced by the Senator from West Virginia [Mr. SUTHERLAND], which is now before the Committee on Foreign Relations, indorsing the great work of charity relief which is now being carried on in Europe without any Government support. I am not in favor of appropriating more Government money out of the Treasury at this time for that purpose, but I do think the Congress of the United States should give its moral support to this great work. It is not finished. There are still starving children over in Europe by the millions, and those countries in Europe are not able to provide for them altogether. Their moneys are so depreciated that they can not buy the supplies necessary for charitable distribution.

Mr. President, I hold in my hand an appeal to the American people. It is signed by the American Relief Administration, by Herbert Hoover; the American Red Cross, by Livingston Farrand; the American Friends Service Committee—the Quakers—by Wilbur K. Thomas; the Jewish Joint Distribution Committee, by Felix Warburg; the Federal Council of Churches of Christ in America, by Arthur J. Brown; the Knights of Columbus, by James Flaherty; the Young Men's Christian Association, by C. V. Hibbard, international committee; the Young Women's Christian Association, by Miss Mabel Cratty, of the national board; and I want to take the time of the Senate to read this brief appeal. It is as follows:

#### AN APPEAL TO THE AMERICAN PEOPLE.

Three and one-half million children in eastern and central Europe have no alternative to disaster between now and next harvest except American aid. For months, because the needy were so numerous and the available funds so limited, these most helpless sufferers in the track of war have been admitted to American feeding stations only if tragically undernourished, and have received American medical aid only if desperately threatened by death from disease.

Winter is closing down. The money of many nations is valueless outside of their own boundaries. Economic and crop conditions, aggravated over considerable areas by actual warfare last summer, make famine, with its terrible train of diseases, a certain visitor until next harvest. Inevitably the helpless children will suffer most. No child can grow to health and sanity on the pitiful makeshifts for food with which millions of European adults must content themselves this winter. It is obvious that the remedy can come only from outside.

America saved 6,000,000 European children winter before last. Normal recuperation cut the need nearly in half last year, but unusual conditions have resulted in scant shrinkage of child destitution during the twelvemonth just past. The response of America must now decide whether 3,500,000 of these charges, in acute distress, shall begin to be turned away in January from more than 17,000 asylums, hospitals, clinics, and feeding stations dependent on American support. There would be no tragedy in history so sweeping or so destructive of those who can deserve no evil.

The undersigned organizations, working among every race and creed, many engaged also in other forms of relief, agree unanimously that the plight of these helpless children should have complete priority in overseas charity until the situation is met. This is an issue without politics and without religious lines. There can be no danger of pauperization, for the \$23,000,000 for child food and the \$10,000,000 for medical service that we seek will relieve only the critical cases. The medical supplies, of course, must be an unequalled gift, but for every American dollar used in child feeding the Governments and communities aided furnish \$2 in the form of transportation, rent, labor, clerical help, cash contributions, and such food supplies as are locally obtainable.

America has not failed in the past in great-heartedness. She has never had a more poignant call than this. Contributions should be turned over to the local committees which are now being formed for

this national collection or sent to Franklin K. Lane, treasurer, Guaranty Trust Co., New York City.

American Relief Administration, by Herbert Hoover; American Red Cross, by Livingston Farrand; American Friends Service Committee (Quakers), by Wilbur K. Thomas; Jewish Joint Distribution Committee, by Felix Warburg; Federal Council of Churches of Christ in America, by Arthur J. Brown; Knights of Columbus, by James Flaherty; Young Men's Christian Association, by C. V. Hubbard; International Committee; Young Women's Christian Association, by Miss Mable Cratty, National Board.

Mr. President, the fact stated that 3,500,000 children are in distress is not a mere surmise nor a guess, but is the result of a careful investigation. The Rockefeller Foundation makes this statement, and that is an organization which has been very businesslike as well as very charitable:

The secretary of the Foundation spent the summer of 1920 in central and eastern Europe, making a first-hand study of the situation. He was deeply impressed with the efficiency of the organization which has been created under Mr. Hoover's auspices.

I may say that no American who has visited Europe, and I doubt whether a man from any other country, has failed to be tremendously impressed with the wonderful efficiency of the organization which Mr. Hoover has used as his agency in distributing relief. One thing everyone says who comes back here after an inspection is that the efficiency, the energy, and the care of his relief association is beyond all parallel, and even the worst enemy that Mr. Hoover has, I am confident, will come back with the same story if he visits those countries as Americans have already done. I have talked with a good many men who have been over there and they all say that Mr. Hoover's name is a name to conjure with when all things else fail, because of the deep impression he has made, not only upon the leaders of Europe, but upon most of the European people.

The statement continues:

It represents the maximum of self-help on the part of the countries concerned and a minimum number of salaried American administrators. Every penny of American money is expended for food. It is a satisfaction to contribute to a work which is so wisely and effectively administered.

The trustees were further influenced to contribute to the children's fund by the conviction that at this time the American people have an opportunity to demonstrate their genuine interest in the welfare of children who are the victims of a catastrophe for which they can in no wise be held responsible. In the midst of sharp differences of opinion about economic and political policies, it is possible for all Americans to unite in preserving the lives or safeguarding the health of 3,500,000 European children in both allied and former enemy countries.

Mr. BORAH. May I ask the Senator a question?

Mr. HITCHCOCK. Certainly.

Mr. BORAH. I ask it in perfect good faith and not in the way of criticism. In what particular countries are those 3,500,000 children supposed to be, and what particular countries are we leaving out?

Mr. HITCHCOCK. I shall be very glad to answer the question fairly. They are as follows:

In Poland, 1,500,000. Now, the Senator knows, and we all know, that probably Poland suffered more, and more frequently, than any other country in Europe. First, the Russian armies tramped over Poland with their destructive and ruinous spoliation. Then the German armies tramped over Poland, driving

the Russians back. Then again the Russians returned over Poland and Germany again threw them back. Poor old Poland was a mere doormat over which those great countries of Europe fought and was reduced by successive spoliations not only to well-nigh absolute ruin but to such starvation that the children were compelled to get down on the ground and eat the very roots of trees to maintain life. Poland still has 1,500,000 children in need of help. This fact is not a mere loose estimate, but it is an estimate made by those who have been on the ground and who know the facts for which they vouch.

Hungary, 100,000 children; Czechoslovakia, 250,000; Austria, 500,000; the Baltic Provinces, 200,000; Germany, 700,000; Russian refugee children, 200,000; total, 3,450,000; and medical service and clothing to more than 300,000 children of Serbia and other European countries, where food is not so greatly required.

The other day I talked with a man who had recently come back from Germany. He is a German-American, a good American citizen. He came back heartsore, not only because he found his own relatives over there in such desperate plight that they could not even ask him to dinner, because they were ashamed to show him what they had to eat. He told me repeated instances of sickly, half-starved children, little skeletons, whose parents were not able to give them the necessary food to keep them in anything like a healthy condition. He said that this extends up even to the classes that ordinarily have plenty. He spoke, for instance, among other cases, of a man who is a chemist, accustomed in ordinary times to earn a good livelihood. He described his two little girls, whom he saw, frail, sickly little children, and the chemist told him, "I can not even afford an egg a day, which the doctor says this little girl ought to have. An egg costs 2½ marks. I can not afford that egg a day which that child ought to have."

I say that under these conditions and confronted by this situation, not only in the countries that were friends of the United States but in Germany, that was our enemy, it is the American duty to give what relief we can, not so much to the adults, who can survive, but to the children, whose whole future life will be blighted if they are not given the necessary food to enable them to grow and develop.

As to the great work which has been undertaken by the charitable associations that are representative of the whole country and which have been placed in charge of Mr. Hoover, because he has had unheard-of success in the past, I say it is the duty of Congress at least to give its moral support to the raising of the \$33,000,000. I understand that something like \$11,000,000 has already been raised, but that it needs the help of Congress to secure the balance. I sincerely hope that the resolution of the Senator from West Virginia [Mr. SUTHERLAND] will be acted upon.

My attention is called to the fact at this moment that in reading one of the tabulated statements I made the mistake of using in all cases the term "metric tons." The figures in the statement are in thousands of metric tons, but the last three figures in decimals of metric tons, which I am sure will relieve the minds of those Senators who thought they saw a mare's-nest in a perfectly plain business statement.

#### APPENDIX.

United States Grain Corporation acting as fiscal agent of the American Relief Administration—Summary of commodities delivered and services rendered to European countries under the one hundred million dollar appropriation fund.

TABLE A.

SUMMARY OF DELIVERIES TO EUROPEAN GOVERNMENTS UNDER THE CONGRESSIONAL FUND, FOR WHICH OBLIGATIONS OF REPAYMENT WERE TAKEN. (METRIC TONS.)

Country.	Bread-stuffs.	Rice.	Beans and peas.	Meats and fats.	Milk.	Cocoa and sugar.	Cotton.	Miscellaneous.	Total.
Poland.....	213,666.237	7,986.844	9,415.879	21,315.085	1,993.713	49.146	5,775.363		260,202.267
Finland.....	64,851.294		121.576	1,432.694	38.845				66,444.409
Armenia.....	37,097.987	1,022.327	2,661.768		3,099.154	999.755		431.484	45,312.475
Czechoslovakia.....	52,285.215								52,285.215
Northwest Russia.....	14,248.491		379.785	2,266.609	1,055.272				17,950.157
Latvia.....	11,244.575	233.516	564.388	761.269	500.257				13,304.005
Estonia.....	8,116.011	91.633		725.168	127.523	54.976		14.136	9,129.447
Lithuania.....	2,565.892	84.233	185.150	424.939	97.095				3,357.309
South Russia.....	394.000								394.000
Total.....	404,469.702	9,418.553	13,328.546	26,925.764	6,911.859	1,103.877	5,775.363	445.620	468,379.284

SUMMARY OF UNITED STATES ARMY LIQUIDATION COMMISSION STOCKS MOVED FROM FRENCH PORTS TO OTHER EUROPEAN COUNTRIES UNDER THE CONGRESSIONAL FUND, FOR FREIGHT ON WHICH OBLIGATIONS OF REPAYMENT WERE TAKEN.

Country:	Quantity moved.
Poland.....	metric tons.. 3,357.246
Czechoslovakia.....	do.. 4,985.054
Estonia.....	do.. 2,804.622
Lithuania.....	do.. 6,096.344
Northwest Russia.....	cubic tons (automobile trucks, etc.).. 946.740
Total.....	metric tons and 946.740 cubic tons.. 17,243.266

United States Grain Corporation acting as fiscal agent of the American Relief Administration—Summary of commodities delivered and services rendered to European countries under the one hundred million dollar appropriation fund—Continued.

TABLE B.

SUMMARY OF TOTAL CHILDREN'S RELIEF DELIVERIES PAID FOR FROM THE CONGRESSIONAL FUND FOR RELIEF (METRIC TONS).

Country.	Bread-stuffs.	Rice.	Beans and peas.	Meats and fats.	Milk.	Cocoa and sugar.	Clothing and shoes.	Miscellaneous.	Total.
Poland.....	858.183	2,077.285	2,898.170	765.000	6,293.787	2,433.606	826.714	466.124	16,618.869
Czechoslovakia.....	700.000	318.916	271.271	454.501	4,029.033	741.978	163.503	161.232	6,831.434
Serbia.....		477.263	287.876	30.000	1,900.048	681.007		69.150	3,445.344
Finland.....	760.000	221.998	253.894	103.951	687.242	244.978			2,272.063
Latvia.....	260.192	160.049	341.117	43.168	710.828	206.105		41.672	1,763.131
Rumania.....	250.000	170.000	130.000	70.046	184.594	627.411			1,432.051
Northwest Russia.....	60.387	305.910	204.456	20.000	376.227	73.041		20.836	1,261.837
Estonia.....	207.000	273.211	151.902	52.934	443.795	295.030		20.836	1,444.708
Lithuania.....	351.000	83.000	77.826	27.959	307.509	153.011			1,000.395
Total.....	3,446.762	4,088.632	4,616.512	1,567.559	15,124.063	5,456.167	990.217	779.850	36,069.762

SUMMARY OF RED CROSS AND OTHER CHARITABLE SUPPLIES MOVED UNDER THE CONGRESSIONAL FUND.

From United States to Europe.....	cubic tons.....	13,707
From St. Nazaire to Reval.....	do.....	1,000
From Coblenz to Warsaw.....	metric tons (approx.).....	10,000

Mr. EDGE. Mr. President, I simply wish to direct the attention of the Senator from Nebraska to the passage of a resolution bearing upon this subject, of which he perhaps is not aware, not having referred to it in his discussion. The Senate on Monday last unanimously agreed to a resolution calling upon the State Department to secure by wire such information as they do not already have and to furnish promptly all possible information, so that the country may be officially informed, so far as that is possible, of the conditions existing on the other side to which the Senator has referred.

I feel that it is our duty, in no way in the world questioning the statements that have been made, to secure all the official information—and when I say "official" I mean through the service of our own diplomatic and consular departments—that it is possible to obtain in a matter where requests are made for millions and millions of dollars from the American people. If the conditions are as appalling as the Senator from Nebraska has outlined, and I have no reason to question it, then there is absolutely no doubt in my mind as to the response of the American people notwithstanding urgent appeals at home. But certainly no harm—quite the contrary—can follow the adoption of the resolution to secure all available information.

If the conditions are as reported by the Rockefeller Foundation and the other societies, then the mere fact that the Government, through its investigation, so gives that much additional establishment to the fact and so reports to the Senate and the country, will, in my judgment, act as a stimulant in raising the money and will make it official in a way; while, on the other hand, if the reports from those countries show that the situation has been to some extent exaggerated and that the countries on the other side are not doing such part as they should in this connection, which information is also asked under the resolution, then the American people should likewise know that. I am entirely in sympathy with the resolution offered by the Senator from West Virginia, but I feel that we should ascertain all the facts in the meantime and that such is our duty to the American people.

Mr. REED. Mr. President, I suppose that the very eloquent and interesting speech of the Senator from Nebraska [Mr. Hitchcock] is probably in part occasioned by the fact that I made a remark on the floor of the Senate a couple of days ago to the effect that a part of the money which had been appropriated by the American people had been employed to benefit the Polish armies. I stated, when I was interrogated about it, that I expected to lay the facts before the Senate at an early date. I have been trying to get some information. Partly because the information has not been forthcoming and partly because I have been incapable of doing any consecutive work in the last two days, I was not prepared to make the statement this morning, and I am not prepared now to make it. But I shall do so in the very near future, and as far as the facts are obtainable I intend to lay them before the Senate.

I wish to say now that late last night I received a long telegram from a gentleman calling my attention to what he claimed was a misstatement. I had intended to put it in the Record, but I think it has been furnished to Mr. Hoover's defender here this morning, and he has already read it.

I will state one reason why it is difficult to get at the facts, and I am only going to take a moment now. I do not propose to make a reply just at present to the speech which has just been made. The resolution under which the \$100,000,000 was appropriated in 1919 expressly required that a report of the

receipts and expenditures and an itemized statement of such receipts and expenditures made under that appropriation "shall be submitted to Congress not later than the first day of the next regular session."

This resolution was passed on the 25th day of February, 1919. I should like to see that itemized statement. There has been filed here a document, which I think the Senator read, which merely states that they had expended \$57,000,000 in Poland. Then follow gross sums aggregating \$88,750,000 of the money that has been expended, for which notes were received. The remainder, they state, was given away. There is no itemized statement, so far as I have been able to find, and if the Senator from Nebraska has an itemized statement that was filed here with Congress, he will confer a favor upon me if he will tell me where I can get it.

Mr. HITCHCOCK. I have not any knowledge of any such itemized statement. So far as I know, the report was made to the President of the United States. Whether or not that has been transmitted to Congress, I do not know. I will say that the report may have been made to Congress, though I do not know.

Mr. REED. If there was such a report, an itemized statement, made to the President of the United States, I should like to see that. Does the Senator from Nebraska know that any such report was made?

Mr. HITCHCOCK. That is substantially what I put into the Record to-day.

Mr. REED. That is the condensed statements which the Senator has just put in?

Mr. HITCHCOCK. They were tabulated statements. I did not read them in full.

Mr. REED. Were they ever filed with Congress?

Mr. HITCHCOCK. I do not know.

Mr. REED. Will the Senator from Nebraska tell me where he was fortunate enough to find them?

Mr. HITCHCOCK. They were brought to my office by interested parties.

Mr. REED. By Mr. Hoover or some of his associates who have never given the public the benefit of their contents?

Mr. HITCHCOCK. I do not know. They may have been published for aught I know. They date back to last September.

Mr. REED. I think when you look for a vindication of Mr. Hoover you will have to find it in his private archives; he has not yet put it in the public archives.

Mr. HITCHCOCK. I stated that the report was made to the President of the United States by chartered accountants, furnishing not only a statement of the obligations of the various Governments but furnishing a detailed statement and containing the vouchers which were satisfactory to the Treasury of the United States.

Mr. REED. The Senator from Nebraska and I might differ on what is a detailed statement. If one can put a detailed statement of an expenditure of \$100,000,000 on a sheet of paper of the size the Senator has here, he is capable of condensation that, like Mr. Hoover, has never yet been equaled in the history of all the world.

The Secretary of the Senate reports that the document which I hold in my hand, which is House Document No. 449, Sixty-sixth Congress, second session, is all that he has on file with reference to the expenditure of the \$100,000,000.

Mr. KELLOGG. Will the Senator from Missouri yield to me for a question?

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Minnesota?

Mr. REED. I yield for a question.

Mr. KELLOGG. Is it not the Senator's understanding of the act of Congress of February 25, 1919, that the money was voted to the President for this purpose, and that the President is the one to make the report of Congress?

Mr. REED. Possibly that is true; but Congress ought to have the report.

Mr. HITCHCOCK. Mr. President, does the Senator from Missouri deny that this is a detailed statement?

Mr. REED. I absolutely deny that it is any such detailed statement as is contemplated by the act of Congress.

Mr. HITCHCOCK. The tabulated statements contained in this report are evidently quite elaborate. They show the wheat flour, cereal flour, rye, barley, rice, beans and peas, pork, lard, lard substitutes, milk, cocoa, sugar, soap, cloth, cotton, and miscellaneous which were purchased and sent to foreign countries. That is shown in considerable detail, and I should call it a detailed statement.

Mr. REED. Well, I should not. If all we have is a detailed statement of that kind we could no more tell what they have done with this money, we could no more check them up than I could be checked up if I had a hundred million dollars of your property and I said that I spent a part of it for beans, a part of it for corn, a part of it for hay, a part of it for cattle, and a part of it for advertising myself. It is not an itemized statement. The language of the act is:

That for the participation by the Government of the United States in the furnishing of foodstuffs and other urgent supplies, and for the transportation, distribution, and administration thereof to such populations in Europe, and countries contiguous thereto, outside of Germany, German Austria, Hungary, Bulgaria, and Turkey: *Provided, however, That Armenians, Syrians, Greeks, and other Christian and Jewish populations of Asia Minor, now or formerly subjects of Turkey, may be included within the populations to receive relief under this act as may be determined upon by the President from time to time as necessary, and for each and every purpose connected therewith, in the discretion of the President, there is appropriated, out of any money in the Treasury not otherwise appropriated, \$100,000,000, which may be used as a revolving fund until June 30, 1919, and which shall be audited in the same manner as other expenditures of the Government: Provided, That expenditures hereunder shall be reimbursed so far as possible by the Governments, or subdivisions thereof, or the peoples to whom relief is furnished: Provided further, That a report of the receipts, expenditures, and an itemized statement of such receipts and expenditures made under this appropriation shall be submitted to Congress not later than the first day of the next regular session: And provided further, That so far as said fund shall be expended for the purchase of wheat to be donated preference shall be given to grain grown in the United States.*

There was submitted to Congress the document which I have in my hand, which is not an itemized statement within the contemplation of that statute.

Mr. McKELLAR. Mr. President, will the Senator yield to me for a moment?

Mr. REED. I yield.

Mr. McKELLAR. Does the document to which the Senator refers show the cost of distribution, what salaries were paid, and items of that kind?

Mr. REED. Oh, no. I will hand it to the Senator, and when he gets through with it he will know just as much about it as he does now, not that he would not be capable of appreciating it if the facts were set forth, but even his acute mind can not elicit much from a vacuum.

Now, there was another appropriation made in this form: On March 30, 1920, a resolution was passed reading as follows:

That, for the participation of the Government of the United States in the furnishing of foodstuffs to populations in Europe and countries contiguous thereto suffering for want of food, the United States Grain Corporation is hereby authorized, with the approval of the Secretary of the Treasury, to sell or dispose of flour now in its possession, not to exceed 5,000,000 barrels, for cash or on credit at such prices and on such terms or conditions as may be necessary to carry out the purposes of this act and to relieve populations in the countries of Europe or countries contiguous thereto suffering for the want of food.

That is directed to the United States Grain Corporation. The following proviso was added:

*Provided, That an audited, itemized report of the receipts and expenditures of the United States Grain Corporation for the purposes authorized by this act shall be submitted to Congress not later than the first Monday in December, 1920.*

And here is that report. I think the Senator from Nebraska has put it in the Record, and it is not necessary to cumber the Record again; but it shows the receipt of Government obligations in part, and among those Government obligations are \$24,013,695.99 from Poland. It shows flour expenditures, and among the flour that we shipped it shows the shipment to Poland of \$24,013,695.99—the same amount as that for which they received the obligations of Poland. There is nothing in this report except the items of flour; that is to say, the different shipments of flour made to Poland.

Mr. SMITH of Georgia. Mr. President, can the Senator tell us whether the statement covers items in addition to the distribution under the \$100,000,000 appropriation?

Mr. REED. They are entirely different.

Mr. SMITH of Georgia. Amounting to \$27,000,000 more?

Mr. REED. Let me state it correctly—amounting to \$24,013,695.99. The only itemization of the flour is that they give us a list of the vessels by which it was shipped, and the only statement that is made in regard to the destination is that it went to Poland or went to some other country. The only certificate we have is this:

Having audited the above report of receipts and expenditures of the United States Grain Corporation, covering the sale of flours authorized under the act of Congress approved March 30, 1920, we hereby certify that, in our opinion, the said report has been correctly prepared so as to show a full accountability of the flour sales in question, and that it is in agreement with the records of the United States Grain Corporation of this date.

So that what we get is this sheet of paper prepared by some public accountant instead of the itemized statement of receipts and expenditures which was to be filed with Congress and not filed some place else.

Mr. KELLOGG. Mr. President—

Mr. REED. I yield.

Mr. KELLOGG. Does the Senator understand that the Grain Corporation distributed the flour to the various consumers in Poland?

Mr. REED. No; I do not understand anything of the kind.

Mr. KELLOGG. Or that the corporation could give any account of the detailed distribution of it in that way?

Mr. REED. No. The Senator does not understand me.

Mr. KELLOGG. The resolution did not require the Grain Corporation to distribute it.

Mr. REED. The Senator did not understand me to say that I expected that if they fed a child we were to have the name of the child given. An itemized statement implies that there shall be shown the organizations or the societies and the amounts given to such societies, and that there shall be fairly laid before the Congress what they did with this material and voucher receipts filed with it. The statement gives us no information. Does the Senator claim that it would be an itemized statement for me to say, "I had \$50,000,000 and I sent \$24,000,000 of it to Poland"?

Mr. KELLOGG. If the flour was sold to the Government of Poland in bulk and shipped to it, I suppose that would be the only itemized statement that the Grain Corporation would be able to make. I am not advised as to that.

Mr. REED. That may be a matter of opinion; but if it is we will have to find some new method if we are to get any information by which we can check up anybody.

Mr. McKELLAR. Mr. President, if the Senator will yield to me, I notice from reading this statement that it says on its face that it is not an itemized statement, and it gives this excuse for not making one:

These delays, together with the complicated nature of the accounts, make it impossible to present an itemized statement of receipts and expenditures for some little time. At that time the final and complete report will be filed. The totals will not, I believe, vary materially from those given in this report.

This report was made on November 24, 1919; has there been no subsequent report?

Mr. REED. There has been no subsequent report; at least inquiry at the proper places fails to disclose any.

Mr. KELLOGG. Mr. President, is that the report under the \$100,000,000, or under the \$50,000,000?

Mr. REED. The \$100,000,000.

Mr. President, I do not intend to discuss this question to-day. I think we will find some complications in it; and yet I think the circumstantial evidence will point to a particular result with absolute certainty and bear out every statement that I made and every implication from it. But since we have had this rhapsody about Hoover, another outbreak of Hooveritis, let me remark that the mental equipoise and the mental atmosphere—if I may use that expression—of some Senators on this question is well illustrated by the fact that when the Senator from Nebraska read that 15,000,000 tons of milk had been sent to 6,000,000 children, and his attention was called to it, he stood valiantly by his figures and wanted to know who would challenge a statement of that kind. If it had been fifteen thousand millions I have no doubt he would have assumed the same attitude. Anything that comes with this odor of sanctity and with the proper British accent is accepted immediately. It was in the record, as he thought, as 15,000,000 tons of milk, 2½ tons for each child, and when his attention was called to it he asserted that it was all right because it was in the record. When he afterwards discovered that he had misread the figures, then

they were all right as they were correctly read. Whatever there is in this document filed by Mr. Hoover comes to the Senator from Nebraska as a "Thus saith the Lord." I can understand that perfectly since his speech during the League of Nations debate in which he said that the British people had a freer government than the people of the United States of America.

Now, Mr. President, just this one word:

Not by way of an argument, but merely by way of showing that there is another side to this shield, I want to read only a few words from the testimony of Mr. Hoover, given before the House Committee on Ways and Means on January 10, 1920. I am reading a part of an answer, that I may give the context:

In the case of Poland, we had at one time—and have to-day, for that matter—1,200,000 children being fed in this manner. We calculated the costs at about \$1 per child per month for imports, and the internal costs are approximately the same amount.

Mr. GREEN.—

A Member of the House and a member of the committee—

What country got most of this \$100,000,000?

Mr. HOOPER. Poland.

Mr. GREEN. You found it necessary to apply the most of that in Poland?

Mr. HOOPER. Poland will be represented by approximately \$55,000,000 of obligations on account of major supplies.

A little later this gentleman testifies further, as follows—I am reading from page 65 of the report:

Poland's is one of the most appealing situations in Europe. The Poles, until the treaty was ratified the other day, have had no real access to the sea for commercial traffic except such as existed by the convention that I created with the German Government for the use of the railways and rivers, under American supervision, pending the ratification. That has been a very limited use, and because of this and other limiting factors Poland has not been able to make a very great recovery in exports of such commodities as she produces.

Beyond these minor questions, however, Poland is maintaining a front of some 1,600 miles against the bolsheviks. They have over 700,000 men under arms. Those troops are suffering fearfully from inadequate clothing and supplies.

If Poland should collapse from a bolshevik invasion, as has been the recent case of south Russia and Siberia, it is the most direct menace to the whole civilization of Europe. It involves the whole stability of Europe itself. It is a matter, therefore, of first importance to all the other Governments of Europe. It is a case where I am convinced there is a necessity which requires that we join in support, for we alone have a food surplus, and Poland's first need is food.

A little later—I do not pause to read it all—he speaks of the staff over there that is engaged in distributing food, and at the head of it, he says, is Col. Barber.

Those men have made a close study of the necessities of Poland, and they represent to us that Poland needs somewhere in the neighborhood of 700,000 tons of breadstuffs in order to pull through and keep its army and the civil population in the large cities even modestly supplied.

Mr. President, that is the testimony upon which Mr. Hoover asked this appropriation. The argument was that Poland must keep her 700,000 men in the field. I do not care, when they turned this food over to Poland, whether they stipulated that it should feed the population that Poland would have had to feed if we did not do it, and, having thus relieved herself of the burden of taking care of her own civil population, she could take an equivalent amount of food and use it on her army. Whether we went through that form and that pretext or not, there is no man who can read that testimony and read it candidly who does not know when he gets through that the purpose was to bolster up Poland and enable her to carry on her war.

Mr. President, that may be all right; but before the money of the American people is employed for the purpose of sustaining any Government in time of war with a friendly power, Congress ought to have something to say about that particular question. Of course, if somebody had been back of the German lines during this war, relieving the German Government of all the duty of caring for its own impoverished people, Germany's armies upon the front would have been as directly sustained as though food had been sent to them.

With this remark I propose to yield the floor, and I intend to discuss this question at a later time. In the meantime, with trade relations with Russia cut off, with armies sent into Russia without any authority, I am informed—and I am sorry the Senator from Nebraska has left the Chamber—that the Treasury Department has refused to mint the gold of Russia sent here to purchase merchandise. The Senator from Nebraska was asked to investigate that, and I thought he was doing so. Perhaps the former Secretary of the Treasury, who is here, can tell us as to that.

Mr. SMITH of Georgia. Mr. President, there is no dispute about the fact that the Treasury Department has refused to do so.

Mr. KING. Mr. President, will the Senator yield?

Mr. REED. Yes; I yield.

Mr. KING. I think the explanation which attends the action of the Treasury will modify the criticism which is implied in the remarks of the Senator.

Mr. REED. I shall be glad to have their explanation.

Mr. KING. If the Senator will permit me to intrude upon his observations for a moment, I think I can submit a partial explanation at least.

Mr. REED. Very well.

Mr. KING. The Senator knows that the bolshevik government stole the Rumanian gold which was in Russia.

Mr. REED. No; I do not know anything about it.

Mr. KING. Then the Senator is not as well advised concerning European matters as I thought he was.

Mr. REED. I have heard statements of that kind. I do not know whether they are true or not.

Mr. KING. The Government of the United States, well knowing that the bolshevik government was in possession of gold to which it was not entitled—gold which belonged to Rumania, gold which it had stolen from private individuals and melted up—has refused access of that gold to the mints of the United States; and the Senator knows that if we coined that gold and purchased it or acquired it there might be some liability on the part of the Government of the United States if the owners of the gold should make demand upon the Government for restitution. It has only recently been held by a judge in Great Britain, where property was vended which had been stolen by the bolsheviks, and suit was brought by the owner of the property, that the person who vended the property could not maintain his title, for the reason that it was clearly shown that the bolshevik government had deprived the owner of that property. So I think the Government of the United States ought to close its mints to the gold of the bolshevik government, because the bolshevik government does not own the gold and because a large portion of that which is in its possession has been stolen from private individuals and from the Rumanian Government.

Mr. REED. Mr. President, I am glad to have that explanation. It is about the one I anticipated the Treasury Department would make. But let us follow it a minute. The old autocratic government of Russia failed, the most cruel and bloodiest government that existed anywhere in the world at the time of its fall. The Czar of Russia was an absolute autocrat, and his predecessors in office had incarnadined every hill and valley of Russia with the blood of the people. Until comparatively recent time 70,000,000 of the population of Russia were serfs, attached to the soil and passing with the title to the real estate. Something like 80 or 90 per cent of those people can not read or write, because learning was almost as dangerous a thing in Russia as direct treason, so that that government stood with its brutal, autocratic hands clutching the throats of 180,000,000 people.

The picture was blacker than that which existed in France in the days of Louis XIV and Louis XV. Just as in France, the people, reduced to ignorance and poverty, and taught the lessons of brutality and crime, rose and waded through almost oceans of blood, so in Russia there have been outrages unspeakable, and there is no man in this Chamber who believes more than I believe that practically every principle of the bolshevik government is destined to bring misery upon that people, and I hold no brief in defense of anything approximating bolshevism.

But they have established a government that has stood for three years against attacks from within and assaults from without. The soldiers of Great Britain have undertaken their overthrow. The soldiers of France have invaded their soil. Japanese hordes have been turned loose upon them, and American soldiers have been sent there to fight against those people, who were our allies in this war, and who lost 6,000,000 men upon the field of battle. If they had not been upon the field of battle, France and England would have been crushed by the German military machine before America ever got into the war. There is not a student of that war who will dispute that statement.

They undertook to set up a government. They set up a very bad one, in my opinion, just as France set up bad governments after the revolution; but they were struggling in an experimental stage, and we sent our troops in there to help destroy them.

It is said that this people, when they rebelled and overthrew their Government, got some money out of banks, confiscated it, and that they got some money from Rumania. But here she is, three years afterwards, with comparative peace in her country. She would probably have been at peace long ago except that Poland invaded her territory for 300 miles, in direct

defiance of the orders of the heads of the great European Governments, and in direct disregard of the line which had been drawn upon the map to indicate Polish territory. The wrongfulness of that invasion has been declared by British statesmen and by French statesmen, and I think even by our own statesmen. She had 700,000 troops upon the field.

Coming back to the gold, I agree to the principle of law that if property is stolen and can be identified it may be taken away from the man in whose possession it is found. Of course, we all know that. But are you going to apply the principle to a Government, under such circumstances as existed here, that when any foreign Government proposes to buy something in America we shall make them furnish an abstract of title with each \$10 gold piece they lay down; that we are to institute an inquiry before we will trade with them or permit their money to be minted; and, of course, the United States Government would not be responsible under those circumstances for minting the gold.

What has been the effect of it? The effect has been to deny our merchants and our producers a market in Russia. In the meantime, what is going on? England is trading, and there is not any official English conscience that will be horrified by taking some gold that is handed to him by the Russian Government. France is opening up trade relations. Italy is opening up trade relations. Canada is opening up trade relations—all the other Governments of the world—but the gentlemen down here at the Treasury propose to say that because some Government took some gold from some people at some time—they do not know how much, or when, or where, or what it is—they will not take any gold from that country. It is another piece of official stupidity, of official arrogance, and of official usurpation that has been all too frequent in recent times.

Mr. SMITH of Georgia. Mr. President, if the Senator will yield to me I wish to call his attention to a telegram from London which appeared in the New York Herald of yesterday morning. It is as follows:

BRITONS COMBINE FOR SOVIET TRADE—LONDON GOVERNMENT SAID TO BE READY TO BACK \$50,000,000 COMPANY—RUSSIA SUBSCRIBES TOO—PROTESTS EXPECTED BY CONCERNS WHOSE PLANTS WERE CONFISCATED BY LENIN.

LONDON, January 5.

Proposals for the formation of a corporation capitalized at \$50,000,000 for the purpose of facilitating trade between Russia and Great Britain, which it is understood had been approved by the Government and Leonid Krassin, Russian Soviet representative, is announced by the London Times. The plans await the action of the Russian branch of the London Chamber of Commerce on January 12.

The corporation, the capital of which will be subscribed equally by Russia and Great Britain, the Times says, will be controlled by a board of governors selected by both countries, the Russian organization operating as a department of the soviet government. The expenses of administration will be met by the collection of small percentages upon purchases and sales and upon fiscal operations.

The British Government, the Times adds, is prepared to advance a special credit fund equal to half the British capital as a loan, free of interest, for 10 years. The corporation would buy from and sell directly to British manufacturers and traders at competitive prices, the privilege to be open to all firms whether members of the corporation or not.

I simply thought that that information, just coming from London, would be interesting in connection with the discussion the Senator has presented.

Mr. REED. Mr. President, I thank the Senator. I have seen that and similar articles. Great numbers of them can be produced; but that is a very illuminating one.

Information was given the other day that we had just driven a man out of this country, with the result that millions of dollars worth of contracts were canceled and that immediately he went over to Canada and made \$5,000,000 of contracts over there. That is the substance of the statement.

Mr. SMITH of Georgia. If the Senator will pardon me a moment, it appears, therefore, that yesterday morning, or within the past 48 hours, the London Times announced that the British Government, with the soviet government, had subscribed to a \$50,000,000 corporation which was to be backed by additional English money, by a loan from the Government, to facilitate trade and purchases from Russia by the soviet government in England. That is the definite statement that I presented.

Mr. REED. Exactly; and, Mr. President, that is the difference between the hard-headed, practical business sense of British statesmen and the tearful sentimentalism of some American Senators. An Englishman will receive a representative of the bolshevist government and receive his gold and will send him back goods at a good round profit. An American will kick the representative out, refuse his gold, have his goods upon his hands, and discharge the labor of the country which would be manufacturing other goods if the market was open. It exactly illustrates what we have been doing here for a long time.

Mr. GORE. Mr. President—

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Oklahoma?

Mr. REED. I yield to the Senator from Oklahoma.

Mr. GORE. The Senator may have said, or he may have intended to say, but I wish to call it to his attention so that he will not overlook it, that the very day our Secretary of Labor, Mr. Wilson, gave out his statement in regard to the deportation of Mr. Martens, the Russian representative, the president of the British Board of Trade entertained the Russian representative to Great Britain at a dinner party. I think his name was Leonine Krassin.

Mr. REED. Mr. President, I rose to talk two minutes, and having talked this long I am going to mention something else.

A good many things have been suggested to benefit American trade and American economic conditions. Anybody who has any sense at all recognizes the fact that when you go through a great war of this kind, when you unsettle the ordinary machinery of trade and commerce, no matter how wisely the war is conducted, no matter how prudently men may act, there is going to result a period of economic distress and readjustment which is bound to be serious to any country, however well managed or financed. The business of government is to reduce to a minimum the disturbance which may come.

Naturally, many people have the idea that the Government should step in and, by direct interference, rectify the evils, make up the losses, and act as a sort of a sister bountiful to the entire country. With people of that type of mind I have no quarrel, except that I do not agree with them that we can do very much in that way. But with the people who interfere with the natural processes of trade and commerce, which would heal the wounds and lessen the blows of war, I have a very serious quarrel.

We have talked here some—and I am not going to debate the question—about helping out by special tariff acts. I am not going to debate it. I simply think it will not do any good. I make that remark in passing. We passed the other day over the President's veto the joint resolution reviving the War Finance Corporation, which was protested against by the Secretary of the Treasury. I suppose he prepared the veto. That may do a little good, and it may not; I do not know. But one thing I do know is this, that if you are to have a great and continuing remedy, you are going to find it in increased production, which gives work to everybody, so that they will have something to buy with. You can not have all that increased production and a market for it and then arbitrarily close the markets of the world.

The VICE PRESIDENT. The morning hour having expired, the Chair lays before the Senate the unfinished business, which will be stated.

The READING CLERK. A bill (S. 3390) to provide further for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the products of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed-nitrogen production; and for other purposes.

Mr. REED. When any man undertakes to close the markets of 180,000,000 people, a population almost twice as great as that of the United States, and to refuse to accept their gold on the ground that they have not got an abstract of title with each dollar, and then at the same time proposes that we shall carry our goods over there and transmute them into shipplasters, he is a very poor kind of an economist.

My own humble judgment is that the only way to heal the wounds of war is to put into operation the healing processes of peace. If we have a shortage of wheat in the world, transform the battle fields into wheat lands and raise a crop as quickly as we can. If we have a shortage of boots and shoes and enormously high prices, make two pairs of shoes where one is needed and the prices will go down. If we want to pay the debts incurred during the war, manufacture and raise stuff and sell it to somebody for money. If we can have the world for a market, we can start many a spindle and many a wheel in this country that is now idle.

Let us see what our policies have led to. We have certainly encouraged the war of Poland with Russia. We have denied ourselves the market directly of 180,000,000, refusing to take any gold from Russia, whether it was Rumanian gold or Russian gold, and, of course, refusing their shipplasters because they are worthless.

We have maintained for two years, aye, for two years and over a month, a condition of technical war with Germany, and trade has been circumscribed and in some cases prohibited. There are 66,000,000 to 68,000,000 more people that the wise policy of the Government has denied us the opportunity to

trade with freely by delaying peace. In the meantime we do not do this because of hatred, but because while, when we appropriated the first \$100,000,000 for charity or aid in 1919 we excluded Germany and Austria, yet in the \$50,000,000 appropriation made in 1920 we included Austria and Hungary.

If we are giving people a part of \$50,000,000, we are not desiring to punish them or starve them any more. The day of starving people and hating people seems to be partially past. Why should not we have opened up every kind of trade and commerce with them nearly two years ago? England has been doing it, France has been doing it. Germany has been invading Russia and selling her goods in Russia. Now, all this, it seems to me, in a large way accounts for some part, a considerable part, of our present economic disturbance.

I want not to be put in the light of refusing the hand of charity to suffering peoples, but I would not send food to sustain the civil population of a country that was using its resources to maintain a battle line 1,600 miles long unless I was ready to directly enter that war. It is just as long as it is short whether we sustain the family while the old man goes out on the battle field and fights, and thus leave the resources of the family to be all turned over to him, or whether we sustain him directly. I have not any doubt if it had not been for this backing up, this support that we gave to Poland, if Poland had not expected aid—indeed her musical premier, Mr. Paderewski, declared that Europe had abandoned them, the Allies had abandoned them, and I think he included us—if it had not been for that they never would have invaded Russia and we probably would have had much earlier peace in Europe.

I think the thing to do is to get peace with all parts of the world, open up trade with all parts of the world, take good money that is handed us from all parts of the world. Then when these nations have settled down to peace and are trying to help themselves, if we can send them a little additional aid, if we can give clothing for children either out of private funds or public funds, I am ready to contribute and cooperate.

I have taken so much time that I apologize for it.

Mr. KELLOGG. Mr. President, I shall occupy the attention of the Senate only for a moment. I agree with the Senator from Missouri [Mr. REED] that the United States should encourage and expand its foreign trade. We must remember that our balance of trade last year approximated \$4,000,000,000, and the foreign commerce of the country was about \$14,000,000,000, the largest, I think, by something like \$8,000,000,000 that any country ever had in the history of the world prior to the war. Unless we maintain some considerable portion of that foreign commerce we will not be able to find a market for our farm and manufactured products.

I agree that we ought to have declared a state of peace with Germany—I voted for it—and that we ought to have resumed our diplomatic, consular, and trade relations with Germany. All the other Allies have done it and are trading with Germany to-day, but the only trade we have with Germany is carried on through the license of the President. What the world needs is peace and the resumption of business conditions. What we need is to encourage as far as possible our foreign trade to establish a market for the surplus of our farm and manufactured products.

However, I shall not discuss the condition of Russia or Poland or the state of war. I would like to say a word on the subject of the expenditure of the \$100,000,000 appropriation and the \$50,000,000 worth of flour which we subsequently appropriated to aid starving Europe.

I wish to say here that I am sure that Mr. Hoover and the Grain Corporation officials who shipped these products to Europe and handled them did not misapply them. I believe they were applied as the act of Congress intended they should be applied, honestly applied and efficiently applied.

Mr. McKELLAR. Mr. President—

The PRESIDING OFFICER (Mr. McNARY in the chair). Does the Senator from Minnesota yield to the Senator from Tennessee?

Mr. KELLOGG. Certainly.

Mr. McKELLAR. In that case, does not the Senator think that it is proper that Mr. Hoover should render an itemized accounting that anybody can understand, or that any reasonable person could understand, showing what has been done with this large amount?

Mr. KELLOGG. Certainly. I did not know until this morning that a complete accounting of the details had not been made. Until the Senator from Tennessee read it, I supposed it had been made. But the duty is upon the President to make the accounting, and if he wants to call for more details than have been furnished he should do it. I have no doubt Mr. Hoover will furnish every detail that is within his knowledge.

Mr. PHELAN. Mr. President—

Mr. KELLOGG. I yield.

Mr. PHELAN. I understood from the reading by the Senator from Nebraska [Mr. HITCHCOCK] that the report of the Grain Corporation was made to the President of the United States.

Mr. KELLOGG. Yes.

Mr. PHELAN. The money, however, was appropriated by Congress. It was my purpose, if I secured recognition of the Chair this morning, to have moved that it be referred for investigation to the Committee on Agriculture and Forestry or some proper committee, because I am personally aware that the Grain Corporation, under Mr. Barnes, made an injudicious purchase of Japanese beans, to the great injury of the bean industry of my State. The farmers there have petitioned me to bring the matter up on the floor of the Senate to determine the culpability of those in charge of the very Grain Corporation whose virtues are being extolled. I know it to be a corrupt purchase through the agents of the Grain Corporation, because I have seen the evidence in the office of the Attorney General.

Mr. KELLOGG. I do not know anything about the purchase of beans in California. The Senator can air it and talk about it all he pleases. I do know Mr. Barnes, and I know he is not corrupt; I know he is an efficient and able administrator of the Grain Corporation.

Mr. PHELAN. Mr. President—

Mr. KELLOGG. I am speaking now and I decline to yield further. I want to make a brief statement and then the Senator from California can speak the remainder of the afternoon, if he so desires.

Mr. President, we must remember that the hundred million dollars was appropriated by Congress, and the circumstances of the appropriation were as follows: The President cabled here a message asking Congress to appropriate \$100,000,000 for the aid of certain countries, excluding the belligerent countries. The President was authorized to expend the money for the benefit of the people in those countries and to make a report to Congress. We voted that money. If it should not have been voted, Congress ought not to have voted it.

I do not believe that that money was expended other than according to the terms of the act of Congress, or that it was expended for the armies of Poland. I do not understand that Mr. Hoover's testimony, which I have heard read, and which was the first time I had ever heard it, contradicts that statement. It is true Mr. Hoover spoke about the armies on the front of Poland with 700,000 men engaged, and that, of course, did not tend to relieve the distress of Poland. We knew the condition of Poland and her armies when we voted the money. If Congress did not wish to vote it, they should not have done so.

Mr. REED. Mr. President—

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Missouri?

Mr. KELLOGG. I do.

Mr. REED. If the Senator from Minnesota will read Mr. Hoover's appealing testimony, he will have no difficulty in ascertaining why we did it. It was because Mr. Hoover asked for it.

Mr. KELLOGG. The gentleman who distributed this fund in Poland said it was not furnished to the army, but to the civil population.

So far as the \$50,000,000, which was subsequently voted, is concerned, the Senate will remember that that was voted in flour. The Grain Corporation was authorized to sell \$50,000,000 worth of flour. It sold that flour to foreign Governments, as it was authorized to do, and received the obligations of foreign Governments. We understood when we made that appropriation the conditions under which it was made, and that we might take a good deal of risk as to whether or not those obligations would be paid. I do not know that there are any details further that could be reported, but I am sure that if the Grain Corporation has any other details and Congress wants them, it will be very glad to give them. It may be that the flour was simply sold to the Government of Poland and the other Governments for a lump sum and their obligations taken for it; it is quite likely that was the case. If that was the case, of course this Government had nothing to do, and the Grain Corporation had nothing to do, with distributing the flour in those countries; I am not advised as to that. I do not believe, however, that the gentlemen who had to do with the distribution of this money, which was voted for charity, misapplied it in order to carry on war in Europe.

Mr. PHELAN. Mr. President, the Senator from Minnesota [Mr. KELLOGG], replying to my observations on the Grain Corporation, said that he personally knew Mr. Barnes, who was the president and in control of that organization, and that he would not believe any ill of him. I have made no accusation

against Mr. Barnes, but I reiterate what I said, or intended to have said, that at a time when the warehouses of California were filled with beans which had been raised by our farmers an agent of the Grain Corporation, representing that corporation, I believe, in the State of Michigan, which is a bean-growing State, contracted through a broker in San Francisco for the purchase of Japanese beans. It developed that there was a corrupt arrangement between these two men, one representing the Japanese bean owners and the other representing the Grain Corporation. Mr. Barnes's attention was called to the matter and he was very much distressed, but that did not cure the situation. There was no exposure and no prosecution, so far as I am aware.

My constituents communicated these facts to me at the time, and I learned that an investigation had been made which verified all that I have stated. I was confidentially permitted to read the findings deposited in the Department of Justice. It is now time for investigation and for the bringing out of their hiding places all those who have perpetrated fraud upon the Government or upon the people. I now state, believing that no confidence is being violated by me, that the report in the possession of the Department of Justice shows that there was such a corrupt agreement. As a result, our bean farmers, who are very numerous in California, were unable, as they might reasonably have expected, to sell their beans to the Grain Corporation for foreign relief because they were purchased from Japan. Whatever may have been the economy in the transaction, I know nothing. I do not think this was material to the traffickers. A corrupt agreement between the agent of the corporation and the representative of the owners of the Japanese beans existed to the loss of our farmers who had been encouraged to grow beans. I think it is a reflection upon the administration of the Grain Corporation that this matter was not ventilated in order to protect other farmers against such practices, vain promises, and consequent betrayal. Why help Europe, and incidentally Japan, at the cost of American distress? "Look to your own home" would be a good motto for charity mongers. The plight of American farmers should be an object also of solicitude.

Mr. KELLOGG. Mr. President, if the information to which the Senator from California refers was furnished to the Department of Justice, I suppose the Department of Justice was the one to prosecute, was it not?

Mr. PHELAN. I am impartial in my condemnation of recreant public officials; if they failed to prosecute, they deserved the blame; but I think that the purpose of the Grain Corporation was not to stir up a matter of that kind at a time when we were at war, thus shaking the confidence of the people. And as I recall, there was no prosecution.

Mr. KELLOGG. But the Senator does not claim that Mr. Barnes was the man who did it?

Mr. PHELAN. I do not; but he was the head of the Grain Corporation, and it was his agent who was involved.

Mr. KELLOGG. He had no knowledge of its being done at the time, had he?

Mr. PHELAN. I should be very sorry to believe that he had; I do not think so; I am making no accusation against Mr. Barnes; but, inasmuch as he was the head of the Grain Corporation, he should have prosecuted or have provided a remedy. Then the farmers asked him, in order to make some reparation, to buy their beans, to take their product off their hands, because they had raised the beans at the instance of the Food Administration, in order to supply the needy mouths of Europe, and having produced them under that stimulation they were denied and defrauded.

Mr. GRONNA. Mr. President, I wish to corroborate the statement of the Senator from California [Mr. PHELAN]. I desire to say that Mr. G. A. Turner, a prominent and respected citizen of the Senator's State and president of the Bean Growers' Association of the State of California, came to this city and appeared before the Committee on Agriculture and Forestry. He made a statement with regard to the production of beans and with regard to the promises made by the Food Administration if the growers of beans in California would go into the industry and produce as large a quantity of beans as they possibly could. I ask unanimous consent to have printed in the Record at this point excerpts from the statement of Mr. Turner, which was printed in the hearings before the Committee on Agriculture and Forestry.

The PRESIDING OFFICER. Without objection, permission is granted.

The matter referred to is as follows:

STATEMENT OF MR. G. A. TURNER, STOCKTON, CALIF., PRESIDENT OF THE CALIFORNIA BEAN GROWERS' ASSOCIATION.

We produced last year more than twice the quantity of beans that was ever produced in California and came into the market in a very disastrous season as to weather, with a shortage of help that all

farmers encountered, and no market for our product, due primarily to the regulations of the Food Administration, and the trade embargoes on export and other regulations.

The business offered us, the only available business, was through the Food Administration or Grain Corporation, and the first business that was offered us occurred in December. Our crop was harvested in September, October, and November, and the first business was offered through the Food Administration's branch in San Francisco. We were invited to participate in it and questioned as to the prices we wished for our commodity. We told them we had a huge amount of beans and were very anxious to sell them and would be very glad to cooperate with the Government on any reasonable basis; that we felt the price should be regulated by the price that the same variety and quality of beans could be purchased at in the open market. On that basis we furnished something like 4,000 tons to the Food Administration.

We made inquiry to ascertain what the reason was that we were not selling beans when there was such a huge demand for food, and it developed that our Government was purchasing, at prices in some instances above those that the American product could be bought for, oriental beans. These beans were all furnished to the Belgian relief and other reliefs, and it develops in the sale of this surplus Army food that our own Army was supplied with oriental beans, while the American farmers' beans remained on their hands. We still have a huge amount of beans in California that are practically unsalable.

The market was doing very well just before this agitation to reduce the cost of food, but since it started the buyers have ceased to make purchases, and the result is that we are loaded up with a lot of 1918 beans, with a new crop coming on.

An investigation was held at New York by the Grain Corporation in reference to these oriental purchases, and it developed there that some undue influence was used to divert that business to the foreign product without the knowledge of the executives of the Grain Corporation. Mr. Barnes was so exercised over the developments that the chiefs of the bean-purchasing departments were removed. But we still have our American beans.

More than half of the California crop was actually sold below the cost of production. What the remaining crop will be sold at is yet to be determined, but the result of this action has reduced the acreage in California fully 40 per cent. Unseasonable weather will reduce the yield further, and I am confident that we will not produce half as many beans this year as we did last year.

A very, very disastrous situation has developed among the poorer farmers, many of them are renters who have been compelled to give up their ranches and have gone to work for daily wages.

The bean growers have repeatedly offered these goods to the Government, and have done everything they could to cooperate with them, but the situation is just as I have expressed it. It seems, for some reason that no American I have met can justify that American money was spent for the oriental products, and the American product remains in the hands of the producer.

Senator WADSWORTH. By any chance was the oriental bean cheaper?

Mr. TURNER. Not generally. There never was a time when the Government could have presented to the growers an order that we would not have underbid on against the cheap oriental labor when we sold our beans. We never had an opportunity to figure a price in competition with them. If the ruling price in the market was above what the Japanese product was sold to them at, it was because the American producer did not know the business was available and did not have a chance to bid.

Representative VOIGT. Were the 4,000 tons that were sold sold above the oriental price, or do you know?

Mr. TURNER. I would not be able to tell you that. I do not think they were; in fact, I do not think they were as high.

I think there were purchases made in December of oriental beans at prices in excess of what the California beans sold for. We sold beans according to variety, at 5 cents a pound, 6 cents a pound, 7 cents, and 8 cents. There were lots of oriental beans bought at 8½ cents.

Senator WADSWORTH. Were those oriental beans shipped into this country and then shipped abroad, or were they shipped direct from the place where they were raised?

Mr. TURNER. No, sir. There were lots of those beans brought in here in bond, and the American product was deprived of the protective tariff by virtue of their having been brought in in bond and shipped to Belgium and other reliefs without paying duty here. Of course, that worked, perhaps, to reduce the cost to the Food Administration, but it did not protect the American product by any means, because they exercised that method of depriving the Government of the revenue on imports, and also placed the oriental bean more keenly in competition with the American product.

We do not claim that the Americans can produce beans as cheaply as the orientals, and we feel that with this huge production, which was far beyond any possible domestic consumption, we were entitled at least to the cost of production even if our price was higher than the oriental product.

Representative HEFLIN. Did you offer to sell your beans to Mr. Hoover?

Mr. TURNER. Why, repeatedly. I was in consultation with the Food Administration almost daily.

Representative HEFLIN. What answer did they make to you?

Mr. TURNER. That there was no business at present. That evidence is all tabulated, and I think the findings of that investigation are now before the Department of Justice.

Representative HEFLIN. How many beans do you say you have on hand now?

Mr. TURNER. Personally I have over 600,000 bags in the association. Representative HEFLIN. If you could get them on the market now, it would help the food situation, would it not?

Mr. TURNER. Very materially. Within the last 30 days I have sold beans to the trade at 3 cents a pound that last year sold for 10 cents a pound—good, wholesome food. We have beans there ranging from—well, the cheap beans are all sold; the 3-cents-a-pound beans are all cleaned up. We have beans at 7 cents and 8 cents, and the 8-cent variety was commandeered by the Government last year at 11½ cents a pound.

Representative HEFLIN. You have no fear, then, that you will be reached in the prosecution of the profiteers?

Mr. TURNER. I have not any fear in the world as to that. If they will only agree to reimburse our loss, they can take them all.

Representative HEFLIN. I do not want to see anything done that will injure the producer in any way, and I am in favor of his having a fair and reasonable price, and I think he ought to be encouraged all along the line. You said a little while ago that the Food Administrator bought

oriental beans, destined for the Allies, at a time when you were offering to sell your beans?

Mr. TURNER. Yes, sir.

Representative HEFLIN. And that you would have sold them your beans more cheaply than they bought the oriental beans?

Mr. TURNER. If we had had an opportunity.

Representative HEFLIN. When you offered to sell him your beans at the time he was buying oriental beans, what reason did he give you?

Mr. TURNER. He bought the oriental beans before we knew they wanted them. They kept telling us they did not want any beans, and we never had an opportunity to compete.

Representative HEFLIN. What is your idea of the reason for that step on the part of the Food Administration in your State in buying the oriental beans instead of beans produced in that State?

Mr. TURNER. I would suggest that you get the evidence that was taken at that investigation. I think that will answer the question.

Senator FRANCE. Where can that be obtained?

Mr. TURNER. We had an investigation at the Grain Corporation of that transaction and the evidence is available there.

Representative HEFLIN. Could you tell us in a word just about what that evidence showed?

Mr. TURNER. I would prefer not to. There are newspaper people here and we were told that evidence was not to be given publicly, and while I think you folks ought to have it, I do not feel that I am at liberty to state it.

Representative HEFLIN. I think the country ought to know if the Government has discriminated against an American industry in favor of an oriental industry.

Mr. TURNER. You can certainly get that evidence. There are a thousand pages of it.

Senator FRANCE. It has been printed?

Mr. TURNER. It is typewritten and it is available.

Senator KENYON. Who ordered that it be kept secret?

Mr. TURNER. It was at the suggestion of some of the officials in the Food Administration.

Senator KENYON. Oh, it is in the hands of the Department of Justice, is it?

Mr. TURNER. I believe it is now.

Representative JONES. You did mention, I believe, several gentlemen who were relieved of their duties?

Mr. TURNER. Yes, sir.

Representative JONES. Who were they?

Mr. TURNER. I would prefer not to mention their names. Personally, I am very anxious that you get access to all those findings, but there has been quite a little excitement over this. Certain papers endeavored to get the evidence and publish it, and I know they are eager for the story.

Senator RANDELL. Have you any practical suggestions to make to Congress? We are all trying to arrive at a solution of these troublesome questions.

The CHAIRMAN. Pardon me a moment; I want to follow this up. At whose request were those hearings held that you refer to?

Mr. TURNER. Well, it emanated from the Michigan bean jobbers, I think. They started the investigation. I came on while it was in session, and Mr. Moore, of the Grain Corporation, invited me to sit in, and I was present for several days.

The CHAIRMAN. Where was it held?

Mr. TURNER. At the Food Administration's offices at 42 Broadway.

The CHAIRMAN. Were there charges made against certain individuals or corporations who were buying beans from your people for speculation, or were there Government officials involved? I do not care to have you mention any names.

Mr. TURNER. None of the officials were involved, but there was a grave question as to the regularity of the actions of some of the personnel of the bean-purchasing department.

The CHAIRMAN. But whatever beans were purchased were purchased for the Government?

Mr. TURNER. For the Government; that is their business.

Representative HEFLIN. Can you tell this committee what reason they gave you for buying oriental beans instead of buying your beans?

Mr. TURNER. The only tangible reason was that certain consumers, or certain interests that they were buying for, specified oriental beans; but we were financing those operations with American money and dictating in large measure what we would give them, and it seems to me, and always has seemed to me, that if the parties who were filling those orders had the American producer in mind, inasmuch as this was American money they were using, they could very easily have used our beans.

Representative HEFLIN. I think they should have purchased American products where they could. But the reason they gave you was the people in Europe, our allies, who wanted beans, designated the kind of beans they wanted?

Mr. TURNER. Yes.

Representative HEFLIN. And that they purchased those beans for them?

Mr. TURNER. According to instructions.

Chairman HAUGEN. Have you any knowledge of any prosecutions in your part of the State?

Mr. TURNER. No, sir; I believe not. There has been a lot of extravagant talk about contemplated prosecutions, but there has never been any definite information to that effect brought to my notice.

Chairman HAUGEN. I think we have it as a well-established fact that the high cost of living is largely due to profiteering.

Mr. TURNER. I have not any doubt of it.

Chairman HAUGEN. We have a statute making it possible to prohibit profiteering, and have had since the 10th of August, 1917. You know of no prosecutions?

Mr. TURNER. Not definitely; no.

The CHAIRMAN. Judge Eames stated before the committee yesterday that the President had had the power from the time the law was enacted. The department has had the information from the Federal Trade Commission, continued in its letter to the President and its report of June 29, pointing out the gentlemen that are responsible for the high cost of living.

Mr. TURNER. I do not know of any definite case.

Senator KENYON. How long has the department had this information concerning the beans?

Mr. TURNER. This investigation was in February.

Senator KENYON. And when was it completed?

Mr. TURNER. It was completed in February, as far as the taking of testimony of various people that were involved, but there were further investigations carried on after we went home. When they terminated the investigation I can not tell you. It was a very intricate proposition, involving lots of side lines, and it is quite illuminating. I think you will have a very good picture of the whole situation once that evidence is before you.

Mr. GRONNA. It is true, Mr. President, that Mr. Turner stated that large quantities of beans had been imported—I think he said from the Orient; at any rate, from some foreign country—when it was known to everybody that the warehouses of the bean growers of the State of California were filled with that product and that they had been promised that their beans would be purchased by the men whom the Senator from Nebraska [Mr. HITCHCOCK] and other Senators have lauded here this afternoon for the splendid work they have done.

Mr. President, I could cite many instances, if I wanted to take up the time of the Senate, where delegations composed of men whose honesty is not and can not be questioned, representing agricultural associations and cattle raisers of the country, and many others in addition to the bean growers and the wheat growers, have condemned in the strongest terms the action of the Food Administration. It is true that statements have been made before committees of Congress by men representing these industries that not only unfair treatment had been accorded but grave injustice had been done to the producers, not only of the State of California but of the entire country.

#### ACQUISITION OF OIL LANDS BY FOREIGN GOVERNMENTS.

Mr. McKELLAR. Mr. President, on Monday last I introduced a bill, being Senate bill 4747, in reference to the exportation of petroleum. That bill, generally speaking, provides that oil shall not be exported to those countries which decline to permit American oil producers, or, rather, American nationals, to own and acquire oil land in such foreign countries. I may say that I was led into an investigation of this question in this way: During my investigation of the subject of England paying to us the past-due interest on her loans I found that she was spending enormous sums to acquire control of the petroleum supply of the world. She, it seems, has plenty of money to invest in petroleum companies; she has money to invest in petroleum lands and to acquire petroleum fields throughout the world, but she does not have enough money to pay the interest on the debts she owes the United States on account of great sums of money which had been loaned to her for the purpose of protecting her Empire. In making this investigation I found that since the war the British Nation had acquired oil rights in Persia, in Mexico, in the United States itself, in Mesopotamia, in Palestine, in Venezuela, in Rumania, and she was attempting to acquire oil rights in Russia and in various other parts of the world. In other words, wherever in all the world she could acquire oil rights the agents of her Government and her nationals, with her aid and help, were attempting to acquire those oil rights.

I found further that while she was thus attempting to acquire oil rights, and while she was acquiring oil rights in this country, at the same time she was excluding American nationals and the nationals of other Governments from prospecting for oil or acquiring any oil rights in practically all of her Provinces, her dominions, colonies, mandatories, or her spheres of influence. Wherever she had control Americans were excluded from acquiring oil rights.

I found that this was not the result of accident, but that it was the result of a plan which had been adopted by her statesmen looking to the complete and early control of the oil supply of the world, realizing as she did and as they did that the control of the oil supply of the world means her dominance in the commercial affairs of the world.

I found, further than that, that she had recently made a treaty with Persia by which she had acquired oil rights in some 500,000 square miles of territory—indeed, it was the whole of Persia, as the Senator from Oklahoma [Mr. GORE] suggests—and Americans were promptly excluded from acquiring any rights there. I found that she had acquired and was enlarging the Anglo-Persian Oil Co. for the purpose of controlling the supply of oil and the distribution of oil.

I found that she had acquired a majority ownership in the Royal Dutch Shell Co., which owns enormous properties in the United States and elsewhere. It is believed that that company owns one-third of all the enormous supply of oil in California. It owns vast supplies of oil in Oklahoma and in Texas. It is one of the great oil-producing companies of the world. It is backed by the British Government, by money furnished by the British Government. At this time, when it is claimed for her that she is too poor to pay the debt that she honestly owes the United States, or even the interest on it, yet she has the money to invest in oil fields and in oil companies for the purpose of controlling the supply of oil of the world.

I found that last summer she and France had entered into an agreement, known as the San Remo agreement, from the little place in Europe in which it was made, by which she alone was to exploit and control the oil in Mesopotamia and Palestine, of which she had but recently become a mandatory, and she was

to give France 25 per cent of it, and she herself was to keep 75 per cent of the oil supply in those countries, believed to be one of the greatest oil fields in the world. At the same time in that connection I found that an American company had got a concession from the Turkish Government to go there and prospect for oil, and it had already built a railroad for the purpose of carrying supplies in order to do the prospecting in Mesopotamia; but as soon as England became a mandatory for that country that work was stopped, and the American company was not allowed to proceed with it, and it has not proceeded with it yet.

Thus it will be seen, Mr. President, that our nationals have been excluded from the rich oil territories controlled by Great Britain, and at the same time Great Britain is getting more than 50 per cent of her oil supply from the United States, and is being allowed to buy and own and produce oil in our country just the same as our own citizens are permitted to produce oil in our own country.

More than that, I found that she was buying oil in Atlantic ports at from \$1.75 to \$2.25 a barrel, and in Pacific ports at from \$2 to \$2.55 a barrel, hauling that oil to her supply stations all over the world, I am told, at a cost of about 50 cents a barrel, and whenever American ships had to have that oil in eastern ports they had to pay from \$7.75 to \$12 a barrel for the same oil, American oil, that England bought at \$1.75 to \$2.50 a barrel—some four times as much.

I found, further, that England does not permit American supply stations to be built in territories or dominions controlled by England. For more than a year America has been undertaking to have a supply station at Ceylon for the purpose of supplying our ships with oil. Our ships can not take a supply sufficient to go around the world. They have to renew their supply when they take such long voyages as voyages to India and to other parts of Asia, and it is absolutely necessary that we should have supply stations over there; but England has been holding up those supply stations. An application for a permit at Ceylon that was made by the Shipping Board, as I understand, more than a year ago, has never been acted upon; but it has been suggested that we could have a supply station at some out-of-the-way place where our vessels would have difficulty in getting to.

In other places in English territory she has refused and declined to permit oil stations to be established. I am told that our ships frequently carry cargoes to Egypt and other English territory—especially to Egypt, which my information is about—and that those American ships can not bring back cargoes, because England has prescribed that goods exported by Egypt must be exported in British bottoms and not in foreign bottoms, and that the United States even has to buy sand as ballast in order to bring her ships back home.

Mr. President, this discrimination against American trade and commerce—this discrimination about a product as to which America produces over 60 per cent of the entire production of the world—is a monstrous discrimination. It is a discrimination that this Government ought not to stand for. As early as last March the Undersecretary of State, Mr. Frank Polk, formally complained of it, but nothing was done, and a month or six weeks ago, Mr. Colby, our Secretary of State, formally complained, but England has not listened to the complaint; and she will not listen to the complaint until this Government takes those steps that she ought to take, because the United States has the whip end of the handle, and she is able to make England come to terms if she uses American oil; and she must use it.

Mr. President, the bill that I have introduced simply provides for a reciprocal agreement. I am sure it will be declared a fair bill. All that it states is that other nations must do unto America precisely as America permits other nations to do unto her.

In other words, American oil fields are free to all the world, with the one exception of oil on territory belonging to the Government itself. There is some little modification of that open-door policy on lands closed by the Government, but I understand that restriction is not being adhered to; but virtually all American oil fields are absolutely open to the nations of the world and to the nationals of every nation of the world, whereas all British oil fields are closed to all America. That is a condition that no self-respecting nation should stand for for a moment, as it seems to me, and especially about a matter that is so vitally important to our trade and commerce as oil is.

Mr. President, my only purpose in calling this matter to the attention of the Senate and the country is that American rights might be protected. I have no feeling against England. Some of my forefathers were Scotch and the others English. I admire England. I admire the English character and the English tenacity of purpose. I admire her attempts to obtain control of the oil supply of the world. But I do not think we will be good Americans if we stand idly by and let her gobble

up the oil supply of the world if we can prevent, and we can easily prevent it. She is producing, as I understand, in the only well that there is in England, some 32 barrels of oil; and yet this nation, having in her own territory only one well with a product of 32 barrels, is undertaking to control absolutely the oil supply of the world. It seems to me to be a gigantic task under such circumstances, but if she can do it, all honor to her; but I do not want her to do it at the expense of the American people and of American commerce, and that is my justification for bringing these matters to the attention of the Senate and the country at this time.

Mr. President, the petroleum situation in the United States is of vital importance at this time to our whole country and to the world. The oil resources of the United States are nothing like as large as is commonly believed. According to experts we own only about one-sixth of the oil supply of the world. It would thus appear that it would be just a question of time when our oil resources will fail unless we take measures to conserve them, because while we own only one-sixth we are producing some 70 per cent of the whole supply of oil.

We are large consumers ourselves, but practically all the nations in the world that use oil in its manifold uses are dependent largely upon the United States and Mexico for their supply of oil.

Mr. GRONNA. Mr. President—

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Does the Senator yield to the Senator from North Dakota?

Mr. McKELLAR. I yield.

Mr. GRONNA. I am very much interested in the Senator's statement, and if he will pardon me for making just a brief statement, I want to say that the State which I in part have the honor to represent is, of course, deeply concerned over this question of oil.

During recent years what we call tractors have been sold in large numbers in the western country. To a large extent the work has been done by petrol power. But I am frank to state that so far as my State is concerned we are compelled to go back to the old system of using horses or mules. We can not afford to pay 38 cents a gallon for gasoline, which is the price which we had to pay last year. We can not, I say, afford to operate the tractors and pay 38 cents a gallon for cheap gasoline. The cost of gasoline affects not only the farmer but it affects the manufacturers of the tractors; it affects the manufacturing industry just as much as it affects the farmers. I am quite sure that I am correct in making the statement that not one-half as many tractors will be used in my State in the future if the price of gasoline is kept up to the high figure which we paid last year. At least one-half, perhaps more than that, will be compelled to use either horses or mules to operate their farms.

Mr. McKELLAR. I am sure the Senator is correct about the restriction on the uses of machinery in this country due to the high price of oil, and I am glad to have the Senator bring those facts before the Senate.

It will be remembered that other nations are using our oil without let or hindrance and conserving theirs; and when I say other nations I mean principally Great Britain, because Great Britain is rapidly gaining the control of the oil supply of the world.

The demand for oil by our Navy and by our merchant marine and by the navies and merchant marines of the world is constantly increasing. Naval vessels burning oil are enabled to travel about 3 knots per hour faster than vessels of the same kind using coal. Merchant ships using oil can travel faster than those using coal. They can go longer distances. It is more easily carried; it is more easily fed. Therefore it is of the greatest value, and any nation without it is going to be at the most serious disadvantage in the future.

English statesmen realize this fact, and they are perfectly willing for the United States, their only real rival in the commercial world, to use her oil up as rapidly as possible, when they will fall back on their supply and let us have just what they desire us to have.

I say use our supply as rapidly as possible, because the experts of this country unite in stating that if the United States continues to produce and use oil as rapidly during the next 15 years as it has the last two or three years the entire supply of this country will be exhausted. So, if we are going to take our proper place among the nations of the world, if we are going to keep the defense of a great navy, if we are going to have a great merchant marine, as I pray God we will have, to carry our wonderful products to every port in the world, one of two things must come to pass, either we must conserve our own supply or our Government and our nationals must be permitted to obtain and own oil anywhere in the world; and it is that last proposition to which I wish to address myself particularly.

Our supply is being rapidly removed. I want to call the attention of the Senate at this time to the oil resources of the world.

Mr. Eugene Stebinger, formerly of the United States Geological Survey, gives the following figures as the petroleum wealth of the world:

	Barrels.
United States and Alaska	7,000,000,000
Canada	995,000,000
Mexico	4,525,000,000
Northern South America, inclusive of Peru	5,730,000,000
Southern South America, inclusive of Bolivia	3,550,000,000
Algeria and Egypt	925,000,000
Persia and Mesopotamia	5,820,000,000
Southeastern Russia, southwestern Siberia, and Caucasus	5,830,000,000
Rumania, Galicia, and western Europe	1,135,000,000
Northern Russia and Saghalien	925,000,000
Japan and Formosa	1,235,000,000
China	1,375,000,000
India	995,000,000
East Indies, controlled almost entirely by Great Britain	3,015,000,000
Total	43,055,000,000

Mr. President, it is not believed that this is all of the supply. Mr. David White, also of the United States Geological Survey, adds to that when he says this:

The evidence as to the probable presence of additional oil reserves in the areas just reviewed is in most cases insufficient to serve as a basis for more than the wildest forecast. However, these forecasts, or geological guesses, formulated conservatively, with the probability that deficiencies will be very much more than compensated by excesses, lead me to conclude that there are probably 20,000,000,000 barrels of oil available in the world in addition to the 43,000,000,000 barrels contained in the regions covered by Mr. Stebinger's estimates quoted above, or as much, in round numbers, as 60,000,000,000 barrels in all. Mr. Stebinger's estimate of the oil may be roughly distinguished as oil in sight; that of 60,000,000,000 as total recoverable oil. This estimate of the world's total recoverable petroleum resources, in which Mr. Stebinger concurs, may differ very widely from estimates by other geologists, but we regard it as fairly conservative. It will, we believe, fall considerably within the ultimate recovery of natural petroleum now remaining in the world's underground storage.

England and her nationals own a tremendous interest in Mexican fields, in oil fields in the United States, in German fields, in Russian fields, in Chinese fields, in East Indian fields, and West Indian fields. These, together with the supply mentioned in the foregoing figures, will give her control of nearly one-half of the world's resources. The oil wealth of America, as compared with the rest of the world, is small. On the other hand, the oil industry or production in America is tremendous, and at the present time she is supplying the rest of the world with 70 per cent of what it uses.

Since the war England, both through her Government and her nationals, has been taking energetic steps to secure as large a part of the oil supply of the world as possible. She has, indeed, gone into the oil business herself. She has obtained large grants in Persia, has taken over mandates containing oil fields, has organized companies in England, and, above all, has prohibited the nationals from any other country acquiring oil rights in any lands over which she has control. Contemplating our own tremendous production, it is evident that our Government should likewise take steps to guarantee our future oil supply. Our nationals should have the right to acquire oil lands and produce oil wherever it may be found, and if they are not given these rights, then we should shut off from our own supply the Governments and their nationals refusing to give us those rights.

In a statement made by Mr. George Otis Smith, Director of the United States Geological Survey, of November 18, 1920, he said:

Accepting the Stebinger-White distribution of the oil reserves, we may roughly set down the continents in order of wealth in oil as North America, Asia, South America, Europe, Oceania, and Africa. In terms of regional distribution more than half the world's oil reserves are believed to be concentrated in two intercontinental areas. One of these oil-rich provinces includes the North American and South American countries bordering the Caribbean Sea and the other includes the countries of west Asia and southeastern Europe, with the Caucasus as an axis. On these two areas, comprising about 2 per cent of the earth's surface, and each containing about 30 per cent of the world's future supply, is focused the attention of the great nations most in need of oil.

Mr. President, at this point I offer also, and ask unanimous consent to have included in my remarks, another statement by Mr. Smith, which I shall not read.

There being no objection, the matter referred to was ordered to be printed in the Record, as follows:

Our present knowledge of the facts of the world's supply and demand is amply sufficient to warrant us in continuing to advocate the open-door policy. Much can be gained for all nations by pooling the world's resources of so essential a raw material as petroleum. With about 60 per cent of the world's future supply concentrated in two regions, while by far the greater part of the demand arises outside those oil-rich regions, there must be a world's commerce in oil. The United States has given to all comers, whatever their nationality, opportunity to acquire oil lands within its territory, and the new leasing law puts no limit upon foreign participation in operating public oil lands unless

there is absence of reciprocal treatment. Of course, any nation realizes that the adoption of the open-door policy need not involve throwing away the key. Not only has the United States been generous in welcoming foreign capital to our domestic fields, but it has been prodigal in marketing the products of American wells and refineries. Whatever our motive has been in winning so large a share of the world's oil trade, the record of the past fully justifies the United States in asking for reciprocity in the future from all other nations.

Mr. McKELLAR. I have given the oil supply. I want to give the production, to show the way in which we are going in our use of oil, and what we are doing with it. The United States comes first. I give the production of petroleum from 1857, about which time it became a commercial commodity, down to 1918, as follows:

	Barrels of 42 gallons.	Percentage of total.
United States	4,608,571,719	61.42
Mexico	285,182,489	3.80
Russia	1,873,039,199	24.96
Dutch East Indies	188,388,513	2.51
Rumania	159,332,023	2.02
India	188,143,000	1.41
Persia	14,086,063	.19
Galicia	154,051,273	2.05
Peru	23,587,000	.33
Japan and Formosa	38,498,247	.51
Trinidad	7,432,391	.10
Egypt	4,848,435	.07
Argentina	78,000	.00
Germany	10,664,121	.22
Canada	24,425,770	.33
Venezuela	475,546	.02
Italy	973,002	.02
Cuba	19,167	.00
Other countries	240,000	.02
Total	7,503,147,138	100.00

I call attention to the fact that the United States has produced 61.42 per cent of all the oil that has been produced. She is producing to-day 70 per cent of all the oil that is being produced, and she is producing it here in the United States, and she is being excluded from producing it anywhere else in the world except Mexico.

By the way, in that connection let me say that I was talking about this matter to a gentleman who had recently been to South America. He had been to the Republic of Venezuela. He said that while there he learned of vast oil deposits and he undertook to buy some oil lands in Venezuela. He soon found that he was competing with the English Government in buying those lands. He said that he had spent large sums of money for Liberty bonds, the money from the sale of which had been loaned to England, and he found by his actual experience in Venezuela that he was coming into competition with the very money that he had paid out for those Liberty bonds to help England win the war.

That was one of the reasons why I thought we ought to collect our interest from England. If she has money to go into the markets of the world and buy up the oil supply of the world, surely she has the money to pay the interest on her debts, on loans that were made to her for the purpose of protecting and defending and preserving her empire. It is wrong, morally wrong and governmentally wrong, for her to be permitted to use the money that is rightfully due our Government for any such purpose as this.

The figures I have given show the oil production of the world. I come now to the oil production of the United States.

#### OIL PRODUCTION IN THE UNITED STATES.

Formerly, Pennsylvania, New York, and Ohio produced the greater portion of oil mined in the United States, but the production in New York and Pennsylvania has fallen off from 30,053,500 barrels in 1882 to 8,726,483 barrels in 1915. In Ohio the yield has fallen from 23,941,069 barrels in 1896 to 7,825,326 barrels in 1915. On the other hand, the production of oil in California and Oklahoma has tremendously increased. In 1900 California produced 8,786,330 barrels and in 1915 produced 86,591,535 barrels, while Oklahoma produced 10,000 barrels in 1909 and 97,915,243 barrels in 1915.

By the way, companies in which the English Government is the largest stockholder own 33 1/2 per cent of this enormous production in California, and probably quite as much in the State of Oklahoma and in the State of Texas.

Mr. J. Ellis Barker, writing in the Contemporary Review, has the following to say about the production of petroleum in the United States:

The petroleum industry is one of the glories of the United States. It has developed from insignificant beginnings and has become a world-dominating force. American petroleum production has increased in the following extraordinary manner:

	Gallons.
1860	21,000,000
1870	220,951,290
1880	1,104,017,166
1890	1,194,590,024
1900	2,672,062,218
1910	8,801,404,416
1917	14,083,255,242
1918	16,000,000,000
1919	17,500,000,000
1920	18,900,000,000

That is an enormous increase. England got nearly one-third of the production from those fields, shutting us out at the same time from acquiring oil properties not only in her kingdom but in every dominion, in every mandatory, in every sphere of influence in the world that she controlled.

Mr. Barker continues:

The full significance of these figures becomes apparent only if we endeavor to convert them into more understandable measures. The mind can not easily grasp the meaning of millions and billions. The United States produce at present more than 50,000,000 tons (now 70,000,000) of oil per year. To transport it simultaneously in oil tankers, taking on an average 5,000 tons, a fleet of 10,000 ships (now 14,000) would be required. If the entire British merchant marine consisted of oil ships, it could not transport the yearly output of oil of the United States on a single journey. As a matter of fact, the yearly oil tonnage of the United States is considerably greater than the tonnage of the merchant marine of the entire world. If we convert the yearly oil production of the United States into carloads of, let us say, 10 tons, or into trainloads of 200 tons, and if we imagine all these oil trains standing on a single line of rails stretching over an incredible distance, we shall be able to realize the gigantic yearly production of the great Republic.

American petroleum production has expanded prodigiously since 1860. Its vastness may be gauged by the fact that entire forests were cut down merely to provide the barrels needed for transporting the oil.

In the United States there are over 100,000 miles of main pipe lines alone. They vary in diameter from 8 inches to 12 inches. The main pipe lines have a mileage which is fully four times as great as the entire mileage of the British railways and about four times as great as the circumference of the globe.

In a bulletin from the United States Geological Survey of date December 11, 1920, it is said, on the subject of production:

During the first 11 months of the year 409,000,000 barrels of petroleum were produced in the United States, as compared with 345,000,000 barrels during corresponding months of 1919. It seems assured, therefore, that 450,000,000 barrels will have been produced in the United States during 1920, an increase of over 70,000,000 barrels in the output of 1919. The figures for 1918, 1919, and 1920 are as follows:

1918	356,000,000
1919	377,000,000
1920	450,000,000

It is just a question of about 15 years of that kind of production when the United States will be going, with her hat in her hand, to England to get the necessary oil to lubricate her engines, if we continue this production without getting any more of the world's supply.

I digress long enough to say that we have been talking in the Senate to-day about the Russian situation. The statement has been made that England is now dealing with the Russian Government, and I have no doubt she is. She entered into an agreement with France last summer by which it is provided that whatever oil England or France is able to get in Russia, or whatever property they are able jointly to acquire, shall be used on a fifty-fifty basis to the exclusion of other nations. Russia is one of the greatest oil fields in all the world. She has quite as much oil in her boundaries as the United States has in hers and England has set out to obtain it.

While we are quibbling over trifles in this country England is looking after the main chance. She is entering into agreements to-day to acquire the lion's share of the oil in Russia—one of the richest oil fields in all the world. She has already acquired the rich fields of Persia. She has already acquired an immense interest in the oil fields of Rumania. She has already put everybody else out of the rich oil fields of Mesopotamia and Palestine. She has the largest holding in Mexico. She had Lord Cowdray there for years acquiring these holdings. She has the richest holdings, except one, in this country. She is acquiring oil lands in all the world and whenever and wherever she does get them it is to the exclusion of the United States. Wherever she gets it she has got control of the trade and commerce of the world for all time. No nation can take it away from her with her holding the oil supply.

I call attention to the fact that since the war was over, British statesmen in Parliament have said that she was going to control the supply of oil by 1922.

These enormous acquisitions show that they know what they are talking about, and that they mean what they say. We can not blame them. If we, the richest oil people in the world, sit idly by and let her take charge of them, what excuse can we offer? If we had been a member of the League of Nations, we could have prevented the San Remo agreement, we could have prevented the exploitation of oil in Persia; but we were not willing to take our place in that body, so what is left to us?

There is but one way to do it and that is, before letting England take our oil, to require her to open to our Government and to our nationals the oil fields that she controls. It is time that vigorous measures were being taken to conserve our supply of oil.

I wish now to call attention to a very wonderful statement of the oil situation by Mr. Franklin K. Lane, former Secretary of the Interior, and a great oil expert, as to the importance of the uses of oil:

It draws railroad trains and drives street cars. It pumps water, lifts heavy loads, has taken the place of millions of horses, and in 20 years has become a farming, industrial, business, and social necessity. The naval and the merchant ships of this country and of England are fitted and being fitted to use it either under steam boilers as fuel or directly in the Diesel engine. The airplane has been made possible by it. It propels the modern juggernaut, the tank. In the air it has no rival, while on land and sea it threatens the supremacy of its rivals whenever it appears. There has been no such magician since the day of Aladdin as this drop of mineral oil. Medicines and dyes and high explosives are distilled from it. No one knows whence it cometh or whither it goeth. Men search for it with the passion of the early Argonauts, and the promise now is that nations will yet fight to gain the fateful bed in which it lies.

In the report of 1919 Mr. Lane further says:

In 1908 the country's production of oil was 178,500,000 barrels, and there was a surplus above consumption of more than 20,000,000 barrels available to go into storage. In 1918, 10 years later, the oil wells of the United States yielded 356,000,000 barrels—nearly twice the yield of 1908—but to meet the demands of the increased consumption more than 24,000,000 barrels had to be drawn from storage. The annual fuel-oil consumption of the railroads alone has increased from sixteen and two-thirds to thirty-six and three-fourths million barrels; the annual gasoline production from 540,000,000 gallons in 1909 to 3,500,000,000 gallons in 1918.

Fuel oil, gasoline, lubricating oil—for these three essentials are there no practical substitutes or other adequate sources? The obvious answer is in terms of cost; the real answer is in terms of man power. Whether on land or sea, fuel oil is preferred to coal, because it requires fewer firemen, and, back of that, in the man power required in its mining, preparation, and transportation the advantage on the side of oil is even greater. So, too, the substitute for gasoline in internal-combustion engines, whether alcohol or benzol, means higher cost and larger expenditure of labor in its production.

#### WHY THIS DISCUSSION OF OUR OIL?

But, Mr. President, it may be asked, why this discussion about oil? What interest has the United States in it other than glorying in her marvelous production of it? Why should we concern ourselves in the supply and production of oil in other countries when we produce three-fourths of all the oil used in the world? Why should we worry about it?

There are two main answers and many less ones. First, our supply at our present rate of production will be gone, according to the experts, within 15 years, certainly within 30 years; and, secondly, Great Britain, while obtaining almost unlimited supplies of oil from the United States for her own use, prohibits the United States or its nationals from buying oil lands or producing oil in her own dominions or those of any of her protectorates or mandatories. What is the proof for these two statements?

I have already given the proof that our supply is being rapidly diminished by tremendous production. I now offer the proof that Great Britain is excluding America from obtaining oil in her dominions.

I have already given the reasons why this is an important matter for us to determine at this time. We have just built a stupendous merchant marine all at once, so to speak. It has been built during the war. It will be useless, almost, if we permit Great Britain to acquire control of the oil supply of the world and shut us out. There is no reason why this should be done. There is every reason why it should not be done.

#### BRITISH DISCRIMINATION.

I wish now to show something about Great Britain's discrimination. It is an interesting fact that the price paid by English companies and other nationals for fuel oil averages from \$1.75 to \$2.50 per barrel at Atlantic and Gulf ports and from \$1.80 to \$2.50 per barrel on Pacific ports. As more than 75 per cent of the oil produced in the United States is produced in the mid-west field, it means transportation to either the Pacific or the Atlantic ports, in excess of 1,500 miles. Of course, that is done by pipe lines.

This should be considered in dealing with this question when we consider the price paid by English companies for fuel oil at American seaboard.

On the other hand, oil produced by the British nationals in Persia and other foreign countries and transported a similar distance is sold to the United States Shipping Board, Navy, and other American shipowners at prices ranging from \$7 to \$12 per barrel, or more than four times the price charged in the United States to British shippers for fuel oil.

Mr. President, I have taken from an oil publication in London a statement showing what the British Government is doing in

the matter of oil. The Royal Dutch Shell Co. and its subsidiaries, in which the British Government has the controlling interest, are capitalized as shown in the statement which I desire to insert in the Record. There is therein given the capital both of the parent company itself and its subsidiary companies. It is second only to the Standard Oil Co. in this country. Its largest holdings are in this country and in Mexico, and if we permit it to go on it will control the oil supply of the world.

There being no objection, the statement was ordered to be printed in the Record, as follows:

ROYAL DUTCH AND SHELL.

An interesting list of subsidiary companies of the Royal Dutch and Shell group, as well as of companies controlled by that group which are not, strictly speaking, subsidiaries, has been issued by a stock exchange firm; and as this is a matter upon which we receive numerous inquiries from time to time, we append the list, which our readers will probably find useful to keep as a reference:

Subsidiary companies.	Capital.
Anglo-Saxon Petroleum Co.	\$16,000,000
Asiatic Petroleum	\$4,000,000
Asiatic Petroleum (Ceylon)	\$300,000
Asiatic Petroleum (Egypt)	\$1,000,000
Asiatic Petroleum (F. M. States)	\$150,000
Asiatic Petroleum (India)	\$2,000,000
Asiatic Petroleum (north China)	\$2,000,000
Asiatic Petroleum (Philippines)	\$200,000
Asiatic Petroleum (Siam)	\$200,000
Asiatic Petroleum (south China)	\$1,000,000
Asiatic Petroleum (Straits Settlements)	\$750,000
Bataafsche Petroleum Maatschappij	Fl. 300,000,000
British Imperial (Australia)	\$1,000,000
British Imperial (New Zealand)	\$100,000
British Imperial (South Africa)	\$400,000
Curaçoa Petroleum Co.	Fl. 7,500,000
Curaçoa Shipping Co.	Fl. 2,000,000
Dordtsche Petroleum Maatschappij	Fl. 2,000,000
La Corona Petroleum	Fl. 25,000,000

Nederlandsch Indische Tank Steamboat Mij	Capital.
New Orleans Refining	Fl. 10,000,000
Nouvelle Société du Standard Russe de Grozny	\$2,000,000
Panama Canal Storage	Rs. 120,00,000
Shell Co. of California	\$77,000
Shell Co. of Canada	\$33,535,575
Shell Marketing Co.	\$50,000
Société Commerciale et Industrielle de Naphte Caspienne et de la Mer Noire (B'nito)	\$3,000,000
Société de Mazout	Rs. 100,00,000
Tampico-Panuco Petroleum Maatschappij	Rs. 180,00,000
Ozark Pipe Line Corporation of Maryland	Fl. 7,200,000
Roxana Petroleum Co. of Virginia	\$10,400,000
Matader Petroleum Corporation	\$15,000,000
Mexican Eagle Oil Co. (England)	\$1,000,000
	\$100

Companies controlled.

Anglo-Egyptian Oilfields	£1,808,000
Astra Romana	Lei. 135,000,000
Ceram Oil Syndicate	\$200,000
Caribbean Petroleum Co.	\$2,100,000
Colon Development Co.	\$100,000
Grozny Sundja Oilfields	\$300,000
Soc. An. pour l'Ind. de Naphte "Grozny-Sunja"	Rs. 30,00,000
Mexican Eagle Oil Co.	Mex. \$83,335,185
New Schibaleff Petroleum	\$1,160,000
North Caucasian Oilfields	\$1,000,000
United British of Trinidad	\$1,250,000
Ural Caspian Oil Corporation	\$1,100,000
Venezuelan Oil Concessions	\$500,000

Mr. McKELLAR. I also ask to insert in the Record a statement of the petroleum imports into the United Kingdom taken from the Oil News of November 13, 1920. It shows that somewhere between 80 and 90 per cent of the oil which England is to-day using is obtained from the United States.

The PRESIDING OFFICER. Without objection, leave is granted.

The statement referred to is, as follows:

Petroleum imports into the United Kingdom, supplied by order of His Majesty's commissioners of customs and excise for the week ended Nov. 8, 1920, excluding any imports that may not be disclosed.

[Oil News, Nov. 13, 1920.]

Date.	Port and importers.	Ship.	Barrels.	Description.	Gallons.	Port whence.
LONDON.						
Nov. 3	J. Kendall & Co.	Anglo-Egyptian	Drs. 212	Lubricating	7,250	New York
3	Produce Brokers Co.	do	200	do	9,500	Do
3	W. B. Dick & Co.	do	50	do	2,000	Do
3	do	Wynoxne	200	do	8,000	Do
3	T. H. Pearce	Waubesa	623	do	24,320	Cleveland
1	H. P. Wheatley & Co.	Narragansett	Bulk.	Lamp.	1,146,040	New York
1	Anglo-American Oil Co.	do	Bulk.	do	20,590	Do
1	do	do	Bulk.	Lubricating	20,560	Do
1	British Petroleum Co.	British Ensign	Bulk.	Lamp.	2,779,090	Port Arthur
1	do	British Fern	Bulk.	Gas	1,911,000	Do
1	Anglo-American Oil Co.	Maryland	692	Lubricating	27,630	New York
1	London Oil Storage Co.	Jolly George	1	do	30	Danzig
4	Langley, Smith & Co.	Cazonia	430	do	13,320	New York
4	A. C. Jacobs	Wynoochee	200	do	8,000	Do
4	Vacuum Oil Co.	do	1,683	do	72,520	Do
4	Anglo-American Co.	Anglo-Egyptian	774	do	59,960	Do
4	do	Tuscarora	Bulk.	Lamp.	2,091,670	Port Arthur and Baton Rouge
2	Shell Marketing Co.	Caronia	250	Lubricating	10,000	New York
2	Anglo-American Oil Co.	West Wauke	120	do	4,800	Philadelphia
2	Produce Brokers Co.	Caronia	354	do	4,000	New York
5	London Oil Storage Co.	West Tacook	130	do	5,750	Philadelphia
5	Anglo-American Oil Co.	Wynoochee	3,239	do	129,580	New York
5	Moxon Salt Co.	Panhandle State	Bulk.	Fuel	36,800	Do
8	Anglo-Mexican Petroleum Co.	San Silvestre	Bulk.	Lubricating	678,160	Port Mexico
8	do	do	Bulk.	Lamp.	1,482,900	Do
8	Anglo-American Oil Co.	Waubesa	1,119	Lubricating	44,760	Philadelphia
June 9	do	Appalachee	Bulk.	Lamp.	1,620	Baton Rouge
Aug. 13	British Petroleum Co.	British Baron	Bulk.	do	7,460	Port Arthur
Nov. 2	do	British Marshal	Bulk.	Benzine	1,602,000	Do
LIVERPOOL.						
1	C. C. Wakefield & Co.	Navarino	100	Lubricating	4,000	New York
1	Vacuum Oil Co.	Alexandrian	545	do	21,800	Do
1	Shell Marketing Co.	Carmania	600	do	24,000	Do
3	Anglo-American Oil Co.	Calcutta	Bulk.	Gas	566,940	Paulsboro
3	do	do	1,610	Lubricating	66,010	Do
3	do	Alexandrian	1,513	do	62,030	New York
3	Valvoline Oil Co.	Armania	435	do	18,270	Do
4	Allison Bros.	Nile	600	do	24,000	Do
4	Shell Marketing Co.	Haverford	325	do	13,000	Do
4	All's Well Oil Co.	Carmania	800	do	12,000	Do
4	Burnaby & Chantrell	do	105	do	4,000	Do
4	R. Park & Co.	Alexandrian	30	do	1,200	Do
5	Vacuum Oil Co.	Haverford	550	do	22,000	Philadelphia
5	Haddock, Parker & Co.	do	500	do	20,540	Do
5	E. Vaughan & Co.	do	139	do	5,560	Do
5	Anglo-American Oil Co.	do	1,180	do	47,200	Do
5	All's Well Oil Co.	do	850	do	34,000	Do
5	A. Hopps & Sons	do	75	do	3,000	Do
5	do	Nile	450	do	18,000	New York
5	Dee Oil Co.	do	200	do	8,000	Do
5	Haddock, Parker & Co.	do	600	do	24,540	Philadelphia
5	Anglo-American Oil Co.	do	1,550	do	63,550	New York
5	Shell Marketing Co.	Yomachichi	2,797	do	147,880	New Orleans
6	Vacuum Oil Co.	Cornishman	819	do	332,760	Philadelphia
6	Anglo-American Oil Co.	Alexandrian	21	do	800	New York
6	Meade-King, Robinson	Haverford	778	do	31,120	Philadelphia
6	Crew, Levick & Co.	Nile	618	do	25,800	New York
8	Vacuum Oil Co.	Cornishman	99	Lubricating gr.	3,960	Philadelphia
8	Anglo-American Oil Co.	Tonewanda	Bulk.	Fuel	353,530	Do

Petroleum imports into the United Kingdom, supplied by order of His Majesty's commissioners of customs and excise for the week ended Nov. 8, 1920, excluding any imports that may not be disclosed—Continued.

Date.	Port and importers.	Ship.	Barrels.	Description.	Gallons.	Port whence.
LIVERPOOL—continued.						
Nov. 8	Crew, Levick & Co.	Haverford	608	Lubricating	24,540	Philadelphia.
8	do.	do.	162	Mineral Colza	7,140	Do.
8	All's Well Oil Co.	Nile	100	Lubricating	4,370	New York
8	J. H. Burns	Baltic	5	Other sorts	200	Do.
BARROW.						
5	Anglo-American Oil Co.	Ottawa	Bulk.	Fuel	193,300	New Orleans.
6	Shell Marketing Co.	Masconomo	Bulk.	Benzine	713,380	Balk Pappan.
BRISTOL.						
1	British Petroleum Co.	British Earl	Bulk.	Gas	1,006,000	Port Arthur.
1	J. Arnott & Sons	Bristol City	75	Lubricating	3,000	New York.
1	F. Schofield & Co.	do.	250	do.	19,000	Do.
1	Anglo-American Oil Co.	do.	532	do.	21,280	Do.
3	do.	Elmac	735	do.	29,400	Philadelphia.
6	do.	Lake Elsie	836	do.	33,440	New York.
5	do.	Ottawa	Bulk.	Fuel	705,420	Avondale.
5	Anglo-Mexican Petroleum Co.	Bloomfield	Bulk.	do.	1,298,000	Tampico.
3	Anglo-American Oil Co.	Bristol City	521	Lubricating	20,840	New York.
NEWCASTLE.						
6	Crew, Levick & Co.	Elmac	120	Lubricating	4,800	Philadelphia.
6	Reesols (Ltd.)	do.	80	do.	3,640	Do.
6	Anglo-American Oil Co.	do.	1,825	do.	89,300	Do.
SOUTH SHIELDS.						
5	British-Mexican Petroleum Co.	W. L. Steed	Bulk.	Fuel	2,064,000	Tampico.
NORTH SHIELDS.						
1	Anglo-American Oil Co.	Kenobec	Bulk.	Fuel	932,000	New Orleans.
GLASGOW.						
2	Wm. Houston	Alpine Range	100	Lubricating	4,320	Philadelphia.
3	J. & D. Hamilton (Ltd.)	do.	100	do.	4,000	Do.
4	R. S. Chalmers & Co.	East Chicago	200	do.	8,000	Baltic.
GRANGEMOUTH.						
4	Scottish Oils (Ltd.)	British Major	Bulk.	Motor spirit	165,550	New Orleans.
DUBLIN.						
6	Anglo-American Oil Co.	Milwaukee Bridge	605	Lubricating	25,410	New York.
BELFAST.						
3	Anglo-American Oil Co.	Lord Downshire	750	Lubricating	37,400	Baltic.
3	Kennedy & Morrison	Milwaukee Bridge	c/s 16	Lubricating gr.	170	New York.
4	Vacuum Oil Co.	do.	150	Lubricating	6,190	Do.
Cef. 14	do.	Pontia	198	do.	74,900	Do.
18	Anglo-American Oil Co.	do.	1,284	do.	61,970	Do.
18	do.	do.	20	Mineral colza	1,010	Do.
18	do.	do.	80	Lubricating gr.	1,480	Do.
Total.					21,195,380	
AMENDMENTS—DEDUCT.						
LONDON.						
14	British Petroleum Co.	British Marshal	Bulk.	Lamp	20,530	Port Arthur.
Aug. 25	do.	British Peer	Bulk.	Gas	51,600	Houston.
Sept. 18	Anglo-Mexican Petroleum Co.	San Silvestre	Bulk.	Lamp	16,420	Tampico.
Aug. 27	H. P. Wheatley & Co.	Caillac	Bulk.	do.	248,910	New York.
4	Anglo-American Oil Co.	Saranac	Bulk.	do.	2,060	Baton Rouge and Avondale.
23	British Petroleum Co.	Birchleaf	Bulk.	Fuel	28,180	Abadan
May 11	Anglo-American Oil Co.	MacKinaw	289	Lubricating	11,600	Philadelphia

Mr. McKELLAR. What evidence have we that England is discriminating against us? A resolution passed the Senate on March 19, 1920, requesting the President to give the Senate information as to the restrictions on American petroleum prospectors in certain foreign countries. On May 17, 1920, the President furnished a report as to those restrictions, and I want to read very briefly from that report:

In general each dominion and colony has its own legislation on the subject of the petroleum industry.

The policy of the British Empire is reported to be to bring about the exclusion of aliens from the control of the petroleum supplies of the Empire and to endeavor to secure some measure of control over oil properties in foreign countries. This policy appears to be developing along the following lines, which are directly or indirectly restrictive on citizens of the United States:

1. By debarring foreigners and foreign nationals from owning or operating oil-producing properties in the British Isles, colonies, and protectorates.

2. By direct participation in ownership and control of petroleum companies.

3. By arrangements to prevent British oil companies from selling their properties to foreign owned or controlled companies.

4. By orders in council that prohibit the transfer of shares in British oil companies to other than British subjects or nationals.

It is understood that the British Government has a controlling interest in the Anglo-Persian Oil Co., and that it has also assisted in the development of the Papuan oil fields by bearing one-half of the expense and contributing experts.

It may be of some significance that by general license of September 1, 1919, prohibited transactions under the regulations of the defense of

the realm act were again permitted, except as such transactions might relate to oil-mining property. (Cablegram from London, Oct. 18, 1919; consular reports from London, Oct. 21, 1919, Nov. 8, 1919.)

According to recent reports, prospecting for petroleum is lawful in the United Kingdom only by the board of trade or the minister of munitions or persons authorized by them. Similar regulations apply to working a petroleum property. The only drilling now going on in the United Kingdom for petroleum is being done by S. Pearson & Son (Ltd.), as petroleum development managers to the Government.

It is said to be unlawful for a British citizen, without the consent of the board of trade, to transfer to an alien or to a foreign-controlled company any interest in a company controlling an oil field in the United Kingdom. (Defense of the realm act of 1915, as amended Oct. 23, 1917, regulation No. 30BB.)

The message of the President shows that the United States and its nationals are excluded in the following British possessions: Australia, British East Africa, Uganda, German East Africa (occupied), British West Africa, Canada, British Guiana, British Honduras, India, British West India, Barbados, and Trinidad.

Great Britain already owns and is operating the Anglo-Persian Co., which controls the entire Persian supply. She has already made her arrangements to take over the Mesopotamian and Palestine fields. Of course, she owns the Egyptian fields and large interests in the Mexican fields. She owns the Canadian and Indian fields and the East Indian and West Indian fields. She now controls the Royal Dutch Shell Co., which has acquired large producing properties in California

and in the mid-continent field. She also controls the Mexican Eagle Oil Co. In 1917 she bought from her alien property custodian the British Petroleum Co., the Homelight Oil Co., and the Petroleum Steamship Co., which had been previously held by the Deutsche Bank, of Germany. It is claimed by no less a person than Sir Charles Greenway that by 1922 the Anglo-Persian Oil Co. will be in position to supply 80 per cent of Great Britain's present requirements for gasoline. She now gets 80 per cent of her gasoline from the United States. If it was not for the oil fields of the United States and Mexico, England could not run a ship.

Practically all of the two Americas, northern Europe, and northern Asia, with the exception of Japan, is open to oil prospectors of the United States, but all the British fields, including those in dependencies and mandatories, are closed to the United States and its nationals.

It is quite marvelous that England, which does not produce any oil, is trying to control the oil of the world.

#### THE SAN REMO AGREEMENT.

Last summer at San Remo, in Italy, representatives of the French and British Governments entered into an agreement with reference to Mesopotamian oil fields, a part of which agreement is as follows:

Mesopotamia: The British Government binds itself to concede to the French Government, or the representative appointed by same, 25 per cent of the net production of crude oil at the current market price which his British Majesty's Government may draw from the Mesopotamian petroleum regions in the event of those regions being made productive by virtue of Government exploitation; or in the event the Government has recourse to a private company to exploit the Mesopotamian petroleum regions the British Government will place at the disposal of the French Government a participation of 25 per cent in the same company. The amount to be paid for a participation of this kind should not exceed the amount paid by any other participant in the said petroleum company. It is also agreed that the said petroleum company is to be under the permanent control of Great Britain.

Showing Great Britain's designs upon the Russian oil fields, it is further provided in the San Remo agreement:

In the territories belonging to the former Russian Empire the two Governments will give their joint support to their respective dependents in their common efforts with the view to obtain petroleum concessions and facilities for export and to assure the delivery of petroleum supplies.

It must be remembered that Russia has about one-eighth of the oil supply of the world, and perhaps more. The agreement further provides as to the Rumanian fields, which are the largest known oil deposits in Europe west of the Black Sea, as follows:

Great Britain and France will lend their aid to their respective dependents in all negotiations which are to be started with the Rumanian Government for:

(a) The purchase of oil and petroleum concessions, shares, or other interests owned by former subjects or companies (of enemy origin) in Rumania which have been sequestered—for instance, the Steaua Romana, Concordia, Vega, etc., who constituted in said country the petroleum group of the Deutsche Bank and the Disconto Gesellschaft—at the same time as all other interests which it may be possible to take over.

(b) The concession of petroleum fields owned by the Rumanian State.

In the House of Parliament the Right Hon. Walter Runciman, president of the British Board of Trade, as early as January, 1916, stated that the future policy of Great Britain would be not only to control the coal of the world but the supply of oil as well, and recently Mr. Walter Hume Long, first lord of the Admiralty, in an address in London, stated that England must acquire all available oil lands, and that the nation must "take care to occupy the house or others would take it and with it the key to future success."

The Anglo-Persian Oil Co. now has a capital of \$100,000,000, and the British Government itself owns two-thirds of the voting stock. For a number of years Lord Cowdry, formerly Sir Weetman Pearson, has been at the head of the English oil interests in Mexico and has accomplished wonders there. Recently the British Government appropriated \$5,000,000 and turned it over to Lord Cowdry to prospect for oil in the British Isles.

#### BRITAIN'S PRESENT DEPENDENCE UPON AMERICA FOR OIL.

But while Great Britain is thus trying to gobble up as much of the oil territory of the world as possible and at the same time excluding American oil prospectors from her territory, what is her situation relative to American production of oil? It is one of almost absolute dependence upon the American supply. Thirty-four per cent of her naval ships are oil-burning ships, and 54 per cent burn oil and coal. This does not include 140 oil-burning submarines. It is believed that half of her merchant marine also burns oil. She is dependent upon America for at least 80 per cent of her supply. Under these circumstances, what is our remedy?

Of course, if we had been in the League of Nations, we could have vetoed the agreement between France and England divid-

ing up the Mesopotamian and Palestine fields and shutting out American prospectors who were already on the ground, but not being in the league, have we any remedy left?

Some time ago Secretary Lane, who is an expert on the subject of oil, presented to a board of geologists, engineers, and economists in his own department the question of what was to be done. I ask permission to print in my remarks his remedy, which is the same as that which I have already proposed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

This board recommended the following program of action:

First. To secure the removal of all discriminations, to the end that our nationals may enjoy in other countries all the privileges now enjoyed by other nationals in ours: (a) by appropriate diplomatic and trade measures; (b) by securing equal rights to our nationals in countries newly organized as mandatories.

Second. To encourage our nationals to acquire, develop, and market oil in foreign countries (a) by sure, adequate protection of our citizens engaged in securing and developing foreign oil fields; (b) by promotion of syndication of our nationals engaged in foreign business in order to effectually conduct oil development and distribution of petroleum and its products abroad.

Third. Governmental action through special agency or board, (a) through the organization of a subsidiary governmental corporation with power to produce, purchase, refine, transport, store, and market oil and oil products; (b) through the formation of a permanent petroleum administration.

Fourth. To assure to our nationals the exclusive opportunity to explore, develop, and market the oil resources of the Philippine Islands, provided discriminatory policies of other nations against our nationals are not abandoned or satisfactorily modified. (Report of Secretary of the Interior, 1919, p. 23.)

Mr. McKELLAR. Mr. President, the program herein stated is an excellent one, and in furtherance of that program I have offered the following bill:

*Be it enacted, etc.*, That deposits of oil or oil shale, or the manufactures or refined products thereof, in the United States or its Territories or dependencies, or any land containing such deposits, or any stock or bond interest in corporations owning such land or deposits, or contracts for the purchase and development of the same, when the purpose is to export such products or otherwise to use them in foreign commerce, shall hereafter not be acquired or owned by any foreign Government or by the nationals of any foreign Government whenever the United States or its nationals having a like purpose are prohibited from acquiring such lands or rights or deposits or manufactured or refined products thereof owned or controlled by the Governments of such foreign countries, directly or by their dominions, dependencies, mandatories, spheres of influence, or otherwise, or the nationals of such Government or foreign countries: *Provided*, That in all cases where the Government of the United States or its nationals is permitted to acquire such lands or deposits, or manufactured or refined products of same, or contracts for the purchase or development of the same, under foreign Governments or their dominions, mandatories, or dependencies, a like privilege to such foreign Governments or their nationals shall be accorded by the Government of the United States.

SEC. 2. That oil or oil shale and the manufactured or refined products of same shall not hereafter be exported to any foreign Government or to the nationals of any foreign Government in any case where such foreign Government, its dominions, dependencies, or mandatories refuse to permit the United States or its nationals to acquire and ship the said deposits or the manufactured or refined products to the United States or otherwise to use the same in foreign commerce; or where the vessels of the United States or the vessels of the nationals of the United States are discriminated against by any foreign Government or its nationals in the furnishing of oil or oil facilities or in the acquiring of oil supply stations in the territory of such foreign Government, or its dominions, dependencies, protectorates, mandatories, or spheres of influence.

SEC. 3. The Shipping Board of the United States is hereby required to report on or before July 1, 1921, what foreign Governments, dominions, dependencies, protectorates, or mandatories, if any, are violating this act, and thereafter no oil or oil shale or the manufactured or refined products of same shall be exported to any foreign Government or its nationals so reported by the Shipping Board to be violating said act. Should said Shipping Board by resolution of its members duly spread upon the minutes report any Government, dominion, mandatory, or dependency as violating said act, the President, under and by virtue of this act, shall at once issue his proclamation declaring an embargo against shipping any of said products to such foreign Government or its dependencies, mandatories, or nationals; nor shall any of said products be exported to any foreign Government or its nationals until the Shipping Board reports that such Government or its dominions, protectorates, or mandatories are no longer violating this act, in which case the President shall issue his proclamation removing the embargo.

SEC. 4. Whenever an attempt is made to export or ship or take out of the United States any oil or oil shale or the manufactured or refined products of same in contravention of this act, and after the President has issued his proclamation as aforesaid, the provisions hereof shall be enforced by the same officers with like forfeitures and penalties and under like proceedings provided in title 6 of the act of Congress approved June 15, 1917, being an act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, etc., and known as the espionage act.

#### REASON FOR THE BILL.

Mr. President, my reason for introducing this bill is that apparently diplomatic measures have failed. As I have already stated, Mr. Polk protested against the San Remo agreement last spring and Mr. Colby has recently even more vigorously protested against it, and all without effect. In my judgment, there is but one way to bring about an adjustment of this matter, and that is along the lines set forth in this bill. If Great Britain is not permitted to get oil from this country, her

navy will be severely handicapped and many of the ships of her merchant marine will be put out of commission. She will be obliged to come to terms. We have the power. It lies within our hands. We ask for nothing but what is right. We seek no advantage. We simply desire that our nationals shall be treated by Great Britain in the same way that we treat hers. We want them to enjoy the same privileges in our country that we want in theirs, but in justice to ourselves we must deny to Great Britain and her nationals just what she denies to the United States and our nationals. My bill is a reciprocal agreement. It is absolutely fair. If it is not fair, we must make it fair, but American rights in oil must be upheld.

Mr. President, the people of Great Britain themselves do not believe in this oil-gobbling scheme of their Government. The Oil News of November 27, 1920, representing the oil interests of Great Britain, protests against the San Remo agreement. They say it must be abrogated, and that Americans should have the right to prospect for oil in Mesopotamia and Palestine just as the subjects of Great Britain have in this country. At this point I will print in the RECORD, as a part of my remarks, a quotation from the Journal referred to, if there be no objection.

The matter referred to is as follows:

THAT "BLESSED WORD" AGAIN.

The Mesopotamian position appears to be the source not only of friction between the United States and Great Britain but of an obscurity which is in some respects even more to be deplored. The first ray of light let in on this subject during the past few months was Mr. Lloyd-George's statement in the House of Commons (reported in last week's Oil News) to the effect that the Allies were awaiting the establishment of an Arab government in Mesopotamia which would deal with the very troublesome subject of the oil prospecting concessions in that country. Nevertheless, the public in general have not grasped the position fully, as is evident by the visits we have had from representatives of well-known daily papers who were in search of some elucidation of the present obscure position.

LATEST AMERICAN NOTE.

Another aspect of this matter is indicated by the Exchange Telegraph message from Washington of November 20 stating that the United States has sent a note to Great Britain protesting against secret agreements between the Allies for the exploitation of former Turkish territories. This is stated to be the second of a series of notes on this matter; and it is evident that the United States, at the instance of the Standard and possibly other important groups, are not going to take the Mesopotamian situation lying down.

NOT WORTH A DISPUTE.

Where the rights and wrongs lie in this case we are not prepared to say. We are a British oil journal, but there are wider aspects of the Mesopotamian oil problem than are indicated by a dispute between John Bull and Uncle Sam as to who is to develop the potential oil fields of this remarkable district. Our own view, for what it is worth, is that the possibilities are here so vast that Great Britain, even with the help of France as a 25 per cent partner, is not able herself to prospect and exploit them fully.

A NEW WAY OUT.

Consequently it would be well to consider how far the European Allies can legitimately go in satisfying the aspirations of United States capital to a share in the risks and possible eventual profits of the Mesopotamian oil region. Good will, peace, and harmony are assets worth paying a long price for, even if the purchase consideration is payable in undeveloped oil lands.

Mr. McKELLAR. Mr. President, in conclusion I desire to answer a question which was raised by a Senator in discussing the matter as to whether or not a bill of this kind would be constitutional. I do not think there can be a particle of doubt about that, since the decision in *Field against Clark*, in 143 United States Reports, 650, excerpts from that opinion which sustain the constitutionality of an act of this kind I have prepared, and I ask unanimous consent that they may be printed in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Without objection, leave to do so will be granted. The Chair hears no objection.

The matter referred to is as follows:

CONSTITUTIONAL.

Repeated decisions of this court have determined that Congress has the power to exclude aliens from the United States; to prescribe the terms and conditions on which they may come in; to establish regulations for sending out of the country such aliens as have entered in violation of law; and to commit the enforcement of such conditions and regulations to executive officers; that the deportation of an alien who is found to be here in violation of law is not a deprivation of liberty without due process of law and that the provisions of the Constitution securing the right of trial by jury have no application. (*Chae Chan Ping v. United States*, 130 U. S., 581; *Nishimura Ekin v. United States*, 142 U. S., 651; *Pong Yue Ting v. United States*, 140 U. S., 698; *Lem Moon Sing v. United States*, 158 U. S., 538; *Wong Wing v. United States*, 163 U. S., 228; *Fok Yung Yo v. United States*, 158 U. S., 298; *Japanese Immigrant case*, 159 U. S., 86; *Chin Bak Kan v. United States*, 180 U. S., 193; *United States v. Sing Tuk*, 194 U. S., 161; *Turner v. Williams*, 194 U. S., 289.)

The authority conferred upon the President by section 3 of the act of October 1, 1890, to reduce the revenue and equalize duties on imports, and for other purposes (26 Stat., ch. 1244, pp. 567, 612), to suspend by proclamation the free introduction of sugar, molasses, coffee, tea, and hides when he is satisfied that any country producing such

articles imposes duties or other exactions upon the agricultural or other products of the United States which he may deem to be reciprocally unequal or unreasonable, is not open to the objection that it unconstitutionally transfers legislative power to the President. (*Field v. Clark*, 143 U. S., 650.)

The plaintiffs in error contend that this section, so far as it authorizes the President to suspend the provisions of the act relating to the free introduction of sugar, molasses, coffee, tea, and hides, is unconstitutional, as delegating to him both legislative and treaty-making powers, and, being an essential part of the system established by Congress, the entire act must be declared null and void. On behalf of the United States it is insisted that legislation of this character is sustained by an early decision of this court and by the practice of the Government for nearly a century, and that, even if the third section were unconstitutional, the remaining parts of the act would stand.

The decision referred to is the *brig Aurora*. (7 Cranch, 383, 388.) What was that case? The nonintercourse act of March 1, 1809 (c. 24, secs. 4, 11), forbidding the importation, after May 20, 1809, of goods, wares, or merchandise from any port or place in Great Britain or France, provided that "the President of the United States be, and he hereby is, authorized, in case either France or Great Britain shall so revoke or modify her edicts as that they shall cease to violate the neutral commerce of the United States, to declare the same by proclamation"; after which the trade suspended by that act and the act laying an embargo could "be renewed with the nation so doing." (2 Stat., 538.) The act of 1809 expired on the 1st of May, 1810, on which day Congress passed another act (c. 39, sec. 4) declaring that in case either Great Britain or France, before a named day, so revoked or modified her edicts "as that they shall cease to violate the neutral commerce of the United States, which fact the President of the United States shall declare by proclamation, and if the other nation shall not" within a given time revoke or modify her edicts in like manner, then certain sections of the act of 1809 "shall from and after the expiration of three months from the date of the proclamation aforesaid be revived and have full force and effect, so far as relates to the dominions, colonies, and dependencies, and to the articles the growth, produce, or manufacture of the dominions, colonies, and dependencies of the nation thus refusing or neglecting to revoke or modify her edicts in the manner aforesaid. And the restrictions imposed by this act shall, from the date of such proclamation, cease and be discontinued in relation to the nation revoking or modifying her decrees in the manner aforesaid." (2 Stat., 605, 606.) On the 2d of November, 1810, President Madison issued his proclamation declaring that France had so revoked or modified her edicts as that they ceased to violate the neutral commerce of the United States. In the argument of that case it was contended by Mr. Joseph R. Ingersoll that Congress could not transfer legislative power to the President, and that to make the revival of a law depend upon the President's proclamation was to give that proclamation the force of a law. To this it was replied that the legislature did not transfer any power of legislation to the President; that they only prescribed the evidence which should be admitted of a fact, upon which the law should go into effect. Mr. Justice Johnson, speaking for the whole court, said: "We can see no sufficient reason why the legislature should not exercise its discretion in reviving the act of March 1, 1809, either expressly or conditionally, as their judgment should direct. The nineteenth section of that act, declaring that it should continue in force to a certain time and no longer, could not restrict their power of extending its operation without limitation upon the occurrence of any subsequent combination of events." This certainly is a decision that it was competent for Congress to make the revival of an act depend upon the proclamation of the President, showing the ascertainment by him of the fact that the edicts of certain nations had been so revoked or modified that they did not violate the neutral commerce of the United States. The same principle would apply in the case of the suspension of an act upon a contingency to be ascertained by the President and made known by his proclamation.

To what extent do precedents in legislation sustain the validity of the section under consideration, so far as it makes the suspension of certain provisions and the going into operation of other provisions of an act of Congress depend upon the action of the President based upon the occurrence of subsequent events, or the ascertainment by him of certain facts, to be made known by his proclamation? If we find that Congress has frequently, from the organization of the Government to the present time, conferred upon the President powers with reference to trade and commerce like those conferred by the third section of the act of October 1, 1890, that fact is entitled to great weight in determining the question before us.

During the administration of Washington Congress, by an act approved June 4, 1794, chapter 41, authorized the President, when Congress was not in session and for a prescribed period, "whenever, in his opinion, the public safety shall so require, to lay an embargo on all ships and vessels in the ports of the United States, or upon the ships and vessels of the United States, or the ships and vessels of any foreign nation, under such regulations as the circumstances may require, and to continue or revoke the same whenever he shall think proper." (1 Stat., 372.)

Congress passed and President Adams approved the act of June 13, 1798 (ch. 53, sec. 5), suspending commercial intercourse between the United States and France and its dependencies, and providing that if the Government of France, and all persons acting by or under its authority, before the then next session of Congress, "shall clearly disavow and shall be found to refrain from the aggressions, depredations, and hostilities which have been and are by them encouraged and maintained against the vessels and other property of the citizens of the United States and against their national rights and sovereignty, in violation of the faith of treaties and the laws of nations, and shall thereby acknowledge the just claims of the United States to be considered as in all respects neutral and unconnected in the present European war if the same shall be continued, then and thereupon it shall be lawful for the President of the United States, being well ascertained of the premises, to remit and discontinue the prohibitions and restraints hereby enacted and declared; and he shall be, and is hereby, authorized to make proclamation thereof accordingly." (1 Stat., 565, 566.) A subsequent act, approved February 9, 1799 (ch. 2, sec. 4), further suspending commercial intercourse with France and its dependencies, contained this section: "That at any time after the passing of this act it shall be lawful for the President of the United States, if he shall deem it expedient and consistent with the interest of the United States, by his order, to remit and discontinue, for the time being, the restraints and prohibitions aforesaid, either with respect to the French Republic or to any island, port, or place belonging to the said Republic with which a commercial intercourse may safely be renewed; and also to

revoke such order whenever, in his opinion, the interest of the United States shall require; and he shall be, and hereby is, authorized to make proclamation thereof accordingly." (1 Stat., 613, 615.) Under the latter act the President issued, June 26, 1799, and May 21, 1800, proclamations declaring it lawful for vessels departing from the United States to enter certain ports of San Domingo. (Works of John Adams, vol. 9, pp. 176, 177.)

By an act of Congress, approved April 18, 1806 (ch. 29), it was made lawful to import, after November 15, 1806, into the United States from any port or place in Great Britain or Ireland, or in any of the colonies or dependencies of Great Britain, articles of which leather, silk, hemp, flax, tin, or brass was the material of chief value; woolen cloths, whose invoice prices exceeded 5 shillings sterling per square yard; woolen hosiery, manufactures of glass, silver, and plated wares, hats, nails, spikes, ready-made clothing, millinery, beer, ale, porter, pictures, and prints. (2 Stat., 379.) The operation of this act was suspended by the subsequent act of December 19, 1806 (ch. 1, sec. 3), until July 1, 1807. But the last act contained this section: "That the President of the United States be, and he is hereby, authorized further to suspend the operation of the aforesaid act, if in his judgment the public interest should require it; *Provided*, That such suspension shall not extend beyond the second Monday in December next." (2 Stat., 411.) Both of these acts received the approval of President Jefferson.

An act of March 3, 1815 (ch. 77), approved by President Madison, provided that so much of the several acts imposing duties on the tonnage of ships and vessels, and on goods, wares, and merchandise imported into the United States as imposed a discriminating duty on tonnage between foreign vessels and vessels of the United States, and between goods imported into the United States in foreign vessels and vessels of the United States, be repealed, so far as the same respected the produce or manufacture of the nation to which such foreign ships or vessels belonged, such repeal to take effect in favor of any foreign nation "whenever the President of the United States shall be satisfied that the discriminating or countervailing duties of such foreign nation, so far as they operate to the disadvantage of the United States," had been abolished. (3 Stat., 224.) Satisfactory proof having been received by President Monroe from the free city of Bremen that from and after the 12th of May, 1815, all discriminating or countervailing duties of the said city, "so far as they operated to the disadvantage of the United States," had been abolished, he issued July 24, 1815, his proclamation, stating that the acts of Congress upon that subject were repealed so far as the same related to the produce and manufactures of that city. Similar proclamations were issued by him in respect to the produce and manufactures of Hamburg, Lubeck, Norway, and the Dukedom of Oldenburg. (3 Stat., App. 1, pp. 792, 793, 794, 795.)

By an act approved March 3, 1817 (ch. 39), prohibiting the importation into the United States, in any foreign vessel, from and after July 4 of that year, of plaster of Paris, the production of any country or its dependencies, from which the vessels of the United States were not permitted to bring the same article, it was provided that the act should continue in force five years from January 31, 1817, provided "that if any foreign nation or its dependencies which have now in force regulations on the subject of the trade in plaster of Paris, prohibiting the exportation thereof to certain ports of the United States, shall discontinue such regulations, the President of the United States is hereby authorized to declare that fact by his proclamation, and the restrictions imposed by this act shall, from the date of such proclamation, cease and be discontinued in relation to the nation or its dependencies discontinuing such regulations." (3 Stat., 361.) Proclamations in execution of this act were issued by President Monroe relating to our trade with Nova Scotia and New Brunswick. (3 Stat., App., pp. 791, 792.)

By an act concerning discriminating duties of tonnage and impost, approved January 7, 1824 (ch. 4, sec. 4), it was provided that "upon satisfactory evidence being given to the President of the United States by the Government of any foreign nation that no discriminating duties of tonnage or impost are imposed or levied within the ports of the said nation upon vessels wholly belonging to citizens of the United States, or upon merchandise, the produce or manufacture thereof, imported in the same, the President is hereby authorized to issue his proclamation, declaring that the foreign discriminating duties of tonnage and impost within the United States are and shall be suspended and discontinued, so far as respects the vessels of the said Nation, and the merchandise of its produce or manufacture, imported into the United States in the same; the said suspension to take effect from the time of such notification being given to the President of the United States, and to continue so long as the reciprocal exemption of vessels belonging to citizens of the United States, and merchandise as aforesaid, thereon laden shall be continued, and no longer." (4 Stat., 3.) A similar section was embodied in the act of May 24, 1828 (ch. 111), relating to the same subject, which is substantially preserved in section 4228 of the Revised Statutes. (4 Stat., 308.) In execution of these acts, proclamations were issued by the Presidents of the United States, as follows: Adams, July 1, 1828 (4 Stat., App., 815); Jackson, May 11, 1828, June 3, 1829, September 18, 1830, April 28, 1835, and September 1, 1836 (4 Stat., App., 814, 815, 816; 11 Stat., App., 781, 782); Polk, November 4, 1847 (9 Stat., App., 1001); Fillmore, November 1, 1850 (9 Stat., App., 1004); Buchanan, February 25, 1858 (11 Stat., App., 795); Lincoln, December 16, 1863 (13 Stat., App., 739); Johnson, December 28, 1866, and January 29, 1867 (14 Stat., App., 818, 819); Grant, June 12, 1869, November 20, 1869, February 25, 1871, December 19, 1871, September 4, 1872, and October 30, 1872 (16 Stat., App., 1127, 1130 to 1137; 17 Stat., App., 954, 956, 957); and Hayes, November 30, 1880 (21 Stat., 800).

A subsequent statute of May 31, 1830 (ch. 219), repealed all acts and parts of acts which imposed duties upon the tonnage of ships and vessels of foreign nations, provided the President of the United States should be satisfied that the discriminating or countervailing duties of such foreign nations, "so far as they operate to the disadvantage of the United States," had been abolished. (4 Stat., 425.) This provision is preserved in section 4219 of the Revised Statutes.

Pursuant to the act of Congress of August 5, 1854 (ch. 269, sec. 2), carrying into effect the treaty between the United States and Great Britain of June 5, 1854, President Pierce issued his proclamation, December 12, 1855, declaring that grain, flour, breadstuffs of all kinds, and numerous other specified articles, should be admitted free of duty from Newfoundland, he having received satisfactory evidence that that Province had consented, "in a due and proper manner," to have the provisions of the above treaty extended to it, and to allow the United States the full benefits of all its stipulations, so far as they were applicable to Newfoundland. (10 Stat., 587; 11 Stat., 790.)

By an act of Congress approved March 6, 1866 (ch. 12), the importation of neat cattle and the hides of neat cattle from any foreign country into the United States was prohibited, the operation of the act, however, to be suspended as to any foreign country or countries, or any parts of such country or countries, whenever the Secretary of the Treasury should officially determine, and give public notice thereof, that such importation would not tend to the introduction or spread of contagious or infectious diseases among the cattle of the United States. The same act provided that "the President of the United States, whenever in his judgment the importation of neat cattle and the hides of neat cattle may be made without danger of the introduction or spread of contagious or infectious diseases among the cattle of the United States, may, by proclamation, declare the provisions of this act to be inoperative, and the same shall be afterwards inoperative and of no effect from and after 30 days from the date of said proclamation." (14 Stat., 3.) These provisions constituted sections 2493 and 2494 of the Revised Statutes until the passage of the act of March 3, 1883 (22 Stat., 489, ch. 121, sec. 6). And by the tariff act of 1890 the importation of neat cattle and the hides of neat cattle from foreign countries was prohibited; but authority is given to the Secretary of the Treasury to suspend the operation of the act as to any country whenever he determines that such importation will not lead to the introduction or spread of contagious or infectious diseases among the cattle of the United States. (26 Stat., 616, ch. 1244, sec. 20.)

In execution of section 4228 of the Revised Statutes, President Arthur issued a proclamation declaring that on and after the 1st day of March, 1884, so long as the products of and articles proceeding from the United States, imported into the islands of Cuba and Porto Rico, should be exempt from discriminating customs duties, any such duties on the products of and articles proceeding from Cuba and Porto Rico under the Spanish flag should be suspended and discontinued. (23 Stat., 835.) President Cleveland, by proclamation of October 13, 1886, revoked this suspension upon the ground that higher and discriminating duties continued to be imposed and levied in the ports named upon certain produce, manufactures, or merchandise imported into them from the United States and from foreign countries in vessels of the United States than were imposed and levied on the like produce, manufactures, or merchandise carried to those ports in Spanish vessels. (24 Stat., 1028.)

By the fourteenth section of the act of June 26, 1884 (ch. 121), removing certain burdens on the American merchant marine and encouraging the American foreign carrying trade, certain tonnage duties were imposed upon vessels entering the United States from any foreign port or place in North America, Central America, the West India Islands, Bahama Islands, Bermuda Islands, Sandwich Islands, or Newfoundland; and the President was authorized to suspend the collection of so much of those duties on vessels entering from certain ports as might be in excess of the tonnage and lighthouse dues, or other equivalent tax or taxes imposed on American vessels by the Government of the foreign country in which such port was situated, and should, upon the passage of the act, "and from time to time thereafter as often as it may become necessary by reason of changes in the laws of the foreign countries above mentioned, indicate by proclamation the ports to which such suspension shall apply, and the rate or rates of tonnage duty, if any, to be collected under such suspension." (23 Stat., 57.) In execution of that act Presidents Arthur and Cleveland issued proclamations suspending the collection of duties on goods arriving from certain designated ports. (23 Stat., 841, 842, 844.)

It would seem to be unnecessary to make further reference to acts of Congress to show that the authority conferred upon the President by the third section of the act of October 3, 1890, is not an entirely new feature in the legislation of Congress, but has the sanction of many precedents in legislation. While some of these precedents are stronger than others in their application to the case before us, they all show that, in the judgment of the legislative branch of the Government, it is often desirable, if not essential, for the protection of the interests of our people against the unfriendly or discriminating regulations established by foreign Governments in the interests of their people to invest the President with large discretion in matters arising out of the execution of statutes relating to trade and commerce with other nations. If the decision in the case of the brig *Aurora* had never been rendered, the practical construction of the Constitution, as given by so many acts of Congress and embracing almost the entire period of our national existence, should not be overruled, unless upon a conviction that such legislation was clearly incompatible with the supreme law of the land. (Stuart v. Laird, 1 Cranch., 299, 309; Martin v. Hunter, 1 Wheat., 304, 351; Coolen v. Port Wardens, 12 How., 299, 315; Lithographic Co. v. Sarony, 111 U. S., 53, 57; the *Laura*, 114 U. S., 411, 416.)

The authority given to the President by the act of June 4, 1794, to lay an embargo on all ships and vessels in the ports of the United States "whenever, in his opinion, the public safety shall so require," and under regulations, to be continued or revoked "whenever he shall think proper"; by the act of February 9, 1799, to remit and discontinue, for the time being, the restraints and prohibitions which Congress had prescribed with respect to commercial intercourse with the French Republic, "if he shall deem it expedient and consistent with the interest of the United States," and "to revoke such order whenever, in his opinion, the interest of the United States shall require"; by the act of December 19, 1806, to suspend, for a named time, the operation of the nonimportation act of the same year "if in his judgment the public interest should require it"; by the act of May 1, 1810, to revive a former act as to Great Britain or France, if either country had not, by a named day, so revoked or modified its edicts as not "to violate the neutral commerce of the United States"; by the acts of March 3, 1815, and May 31, 1830, to declare the repeal, as to any foreign nation, of the several acts imposing duties on the tonnage of ships and vessels, and on goods, wares, and merchandise imported into the United States, when he should be "satisfied" that the discriminating duties of such foreign nations, "so far as they operate to the disadvantage of the United States," had been abolished; by the act of March 6, 1866, to declare the provisions of the act forbidding the importation into this country of neat cattle and the hides of neat cattle, to be inoperative "whenever in his judgment" their importation "may be made without danger of the introduction or spread of contagious or infectious disease among the cattle of the United States," must be regarded as unwarranted by the Constitution if the contention of the appellants in respect to the third section of the act of October 1, 1890, be sustained.

That Congress can not delegate legislative power to the President is a principle universally recognized as vital to the integrity and maintenance of the system of government ordained by the Constitution. The act of October 1, 1890, in the particular case under consideration, is not inconsistent with that principle. It does not, in any real sense,

invest the President with the power of legislation. For the purpose of securing reciprocal trade with countries producing and exporting sugar, molasses, coffee, tea, and hides, Congress itself determined that the provisions of the act of October 1, 1890, permitting the free introduction of such articles, should be suspended as to any country producing and exporting them that imposed exactions and duties on the agricultural and other products of the United States which the President deemed—that is, which he found to be—reciprocally unequal and unreasonable. Congress itself prescribed, in advance, the duties to be levied, collected, and paid on sugar, molasses, coffee, tea, or hides produced by or exported from such designated country while the suspension lasted. Nothing involving the expediency or the just operation of such legislation was left to the determination of the President. The words "he may deem" in the third section, of course, implied that the President would examine the commercial regulations of other countries producing and exporting sugar, molasses, coffee, tea, and hides and form a judgment as to whether they were reciprocally equal and reasonable, or the contrary, in their effect upon American products. But when he ascertained the fact that duties and exactions reciprocally unequal and unreasonable were imposed upon the agricultural or other products of the United States by a country producing and exporting sugar, molasses, coffee, tea, or hides, it became his duty to issue a proclamation declaring the suspension as to that country which Congress had determined should occur. He had no discretion in the premises except in respect to the duration of the suspension so ordered. But that related only to the enforcement of the policy established by Congress. As the suspension was absolutely required when the President ascertained the existence of a particular fact, it can not be said that in ascertaining that fact and in issuing the proclamation, in obedience to the legislative will, he exercised the function of making laws. Legislative power was exercised when Congress declared that the suspension should take effect upon a named contingency. What the President was required to do was simply in execution of the act of Congress. It was not the making of law. He was the mere agent of the lawmaking department to ascertain and declare the event upon which its expressed will was to take effect. It was a part of the law itself as it left the hands of Congress that the provisions, full and complete in themselves, permitting the free introduction of sugars, molasses, coffee, tea, and hides from particular countries should be suspended in a given contingency, and that in case of such suspension certain duties should be imposed. (Field v. Clark, 143 U. S., 681-693.)

Mr. PHELAN. Mr. President, I have been very much interested in hearing the Senator from Tennessee discuss the oil situation with respect to British monopolistic tendencies. I may repeat what he has said, that I have great admiration for many of the characteristic traits of the British people. The British Government in the minds of most Americans seems to be something apart, however, from the British people. The situation might be described as being another case of Dr. Jekyll and Mr. Hyde. The British people in their amiable and sympathetic views of American aspirations, their love of freedom and personal liberty appeal to us, whereas when matters of policy become practical questions before the British Government the sentiments of the British people evidently are lost sight of. We are now dealing with the policy of the British Government, to which the Senator from Tennessee has referred.

It is the policy of the British Government to acquire the oil supply of the world. I had the pleasure and satisfaction of showing that to the Senate more than a year ago in presenting the report of Mr. Van Manning, the Director of the Bureau of Mines of the Interior Department, which report I had elicited by submitting to him a questionnaire. It was a very valuable report, and I had much difficulty in getting it from the department to which it was first submitted, although the report was made at my instance; and when I submitted it to the Senate I found a reluctance on the part of the Committee on Printing to print it as a Senate document, and it was not printed in its entirety as a Senate document—for what reason I know not—but I managed under the rules to read it into the Record at that time, so that it is in the possession of the Senate. In that report the Director of the Bureau of Mines of the United States showed very clearly by citing facts that the British Government was acquiring oil in all the countries of the world, and at the same time was ignoring the claims of the United States and United States nationals everywhere, denying them participation and access to the soil.

They went so far as to dismiss from their service American citizens. I believe they were taught a lesson by the Germans, who prior to the war were in possession of very valuable natural resources of Great Britain in Australia and her other colonies, and even had great plants in the "tight little island" itself; and they, taking that page from the German book, decided to invade other countries and get their natural resources, in addition to holding strenuously on to their own. I consider it a very good policy for Great Britain if it will work. But it will not work.

Mr. McKELLAR. Mr. President—

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Tennessee?

Mr. PHELAN. I do.

Mr. McKELLAR. Right there, I omitted to state that while England was utterly unable to pay the interest on the debts that she owed the United States, she had enough money to appropriate this last year \$5,000,000 to be turned over to her agent,

Lord Cowdray, for the purpose of prospecting for oil in England itself; and they found one little well that, I think, produces about 32 barrels a month, or a year, I have forgotten which. They can throw away their money for the purpose of even prospecting for oil, but they are entirely too poor to pay the interest on their debts to this country; and, by the way, England is buying those oil rights in every nation at the same time. She has spent countless millions of dollars upon acquiring oil property to be used to the disadvantage of American commerce, while declining to pay the interest on the debts that she owes America, and when we are taxing our people to the utmost by reason of those loans.

Mr. PHELAN. Mr. President, the Senator is quite correct, so far as the information which I possess on this subject would lead me to believe, that Great Britain on the one hand wears the Mr. Hyde aspect, putting on the poor mouth of national necessity and excessive taxation and tremendous cost of the war, by reason of which she can not pay her debts, and at the same time she takes that money which the United States supplied her with for the purpose of prosecuting the war—because otherwise her own money would have gone for that purpose—and uses it for the acquisition of oil fields throughout the world, in fear of the commercial and naval rivalry of the United States.

They have taken a feather from the pinion of the American eagle and turned it against that noble bird.

So the struck eagle, stretch'd upon the plain,  
No more through rolling clouds to soar again,  
View'd his own feather on the fatal dart,  
Which wing'd the shaft that quiver'd in his heart.

It is hardly as bad as that. So far their dart has not been fatal; but England, being a "tight little island" with a large colonial empire, has to assert itself upon the seas. The United States is a great producing country, and in pursuit of its national prosperity must prosecute business upon the seas, because a country's wealth and a country's happiness is derived primarily from the exchange of commodities, which is trade and commerce. Therefore, in pursuance of our policy, we created a great merchant marine, and our ships are now restored to the seas, which has caused great alarm in the commercial circles of Great Britain, which does not interest us, nor should it interest us very much. I believe there is room enough in the world for both Great Britain and the United States, as I believed there was room enough for Germany and Great Britain in their commercial enterprises; but Germany made the fatal mistake of trying to subjugate the world by arms when she was on the way of doing it by trade.

Great Britain, therefore, is taking the oil supply of the world. The Senator has referred to subjects which I did not intend to bring up at this moment; but he says that at the very time we loaned them \$4,000,000,000—an inconceivably large amount—they were taking their own money, or our money—it is immaterial; it was all turned into their treasury—for the purpose of acquiring the oils of the world, because, as he well explained, oil is necessary in the operation of ships.

It is an economical use. It gives a wider steaming radius, gives economy in consumption, gives economy in space, and no coal burner can compete with an oil burner in the merchant marine nor in the Navy. The nation that is in possession of the oil is in possession of the trade and in possession of the seas, and that is the thing we have to keep in mind. If there were enough oil for all, we might not resent Great Britain's greed; but there is not enough oil for all, and we are now consuming much more than we produce in this country.

I am not speaking idly when I say that Great Britain has pursued that policy diligently, even at a period of time during the war when she had her back, as she said, against the wall, and she would have been impaled to that wall had it not been for the American Expeditionary Forces. At that time so strong was her trade instinct—almost as strong in her as the instinct of life—that she was acquiring oil then, looking forward to the day when she would have to meet competition upon the seas. Mr. William Denman, who was then head of the American Shipping Board as its first chairman, has given very valuable testimony recently to that effect; and I submit here a letter from Mr. Denman, of which I will read a part, in which he describes the conditions in the spring of 1917, when the Balfour mission came to the United States. The Balfour mission was in the United States for the purpose of wheedling, by those diplomatic graces in which the British are skilled and trained, four billions of dollars from the Treasury of the United States; and at that time, Mr. Denman being a part of the conference at which sat not only Mr. Balfour and Mr. Denman but Secretary Lansing and Mr. Polk, this colloquy occurred:

Mr. Denman, speaking to Mr. Balfour, said substantially:

"I trust you will not misunderstand my frankness about certain conditions prevailing in Congress. Much of your public life has been spent as a parliamentarian, and I may feel assured of your sympathetic appreciation of the difficulties under which I am laboring in attempting to procure drastic war legislation. There is a strong anti-British sentiment in certain groups in the Congress. I believe I can help hold this in check if I have your assurance that there will be a full disclosure of all the agreements between the Allies affecting the interests of the United States and general world shipping conditions. I will not disclose any of these matters to them, but my position will be strengthened if I can assure them that we know all."

Mr. Balfour replied to this that that was the very purpose of the conference, and that all such matters would be fully disclosed to the American conferees.

He never redeemed his promise.

Mr. President, I ask that this entire letter may be printed as a part of my remarks.

There being no objection, the letter referred to was ordered to be printed in the RECORD, as follows:

FOUR BILLION DOLLARS TO THOSE WHO SECRETLY HELPED DESTROY GUAM.

WASHINGTON, D. C., January 1, 1920.

DEAR SIR: In the spring of 1917 the Balfour mission to the United States secured for Great Britain a loan of upward of four billions of dollars. It was a willing transaction between liberal America and liberal Britain. Had the deceptions used in procuring it been known to our Government, the consideration for the loan probably would have had less of good will and more of substantial security for our national interest in the Pacific.

Great Britain is now seeking to renew this loan and substitute distant payment notes for its maturing obligation. This seems a timely opportunity to point out a typical case of that duplicity and lack of candor in Britain's foreign representatives, which have placed a barrier between the liberals of both countries. They have partly destroyed the sympathetic relationship toward the creation of which Mr. Bryce and men of his spirit have so much contributed. They have gravely hampered the similar task of Ambassador Geddes and our quiet but ever-helpful friend Mr. Broderick. The attempt to defeat the Diesel motorship project and the Cunard ship incident, disclosed before the Walsh committee, are similar links in an almost continuous chain.

It is perhaps well that the testimony, which is here offered concerning the negotiation of this loan, comes from one of English antecedents and not sustaining any blood relationship to those now suffering under the atrocities in Ireland.

Mr. Balfour arranged for these moneys in the month of May, 1917. His protestations of deep friendship for the interest of the United States filled our press and warmed his auditors in the Halls of Congress and at the tables, where our hospitality was extended to him. While he was making them the ink was scarcely dry on the last of the three notes constituting the so-called secret Shantung treaties, which, from a naval standpoint, destroyed the island of Guam, probably our most valuable naval base in the Pacific. By their terms Japan, our rival in the Pacific, was, by agreement with Great Britain, confirmed in the possession of the Marienne group of islands, which placed an unsurmountable barrier between us and the North Asiatic coast and the Japanese islands. Great Britain's price for this was the British control of the islands of the South Pacific, which, in the event of the hostilities to which such diplomacy inevitably tends, isolates Guam from the Philippines.

Britain's action is comparable to a treaty between America and Germany, say 30 years ago, whereby, for a price, we agreed secretly to assist her secure the island of Helgoland.

It is obvious that Mr. Balfour owed to us the disclosure of the existence of these agreements. Why he did not requires no further explanation than his quest of the four billions of dollars.

It will help liberal England to understand the growing mistrust of America toward her to know that there was active deception, in addition to suppression of the facts, at the time the loan was negotiated.

At the first session of the conference between the Balfour mission and the American conferees the latter consisted of Secretary Lansing, Mr. Polk, and the writer. On that occasion the following colloquy occurred between Mr. Balfour and the latter. This came after Mr. Lansing had, in a general statement, outlined the scope of our deliberations, when the writer addressed Mr. Balfour substantially as follows:

"I trust you will not misunderstand my frankness about certain conditions prevailing in Congress. Much of your public life has been spent as a parliamentarian, and I may feel assured of your sympathetic appreciation of the difficulties under which I am laboring in attempting to procure drastic war legislation. There is a strong anti-British sentiment in certain groups in the Congress. I believe I can help hold this in check if I have your assurance that there will be a full disclosure of all the agreements between the Allies affecting the interests of the United States and general world shipping conditions. I will not disclose any of these matters to them, but my position will be strengthened if I can assure them that we know all."

Mr. Balfour replied to this that that was the very purpose of the conference, and that all such matters would be fully disclosed to the American conferees.

He never redeemed his promise, and our faith in him led us to believe we knew all. Instead he continued his protestations of friendship, which, with his great personal charm and rhetorical gifts, created a confidence so warm and so profound that it strains our imagination to believe the underlying deception.

The testimony on this, so far as Americans are concerned, is irrefutable. Our President has told us that it was not until months after that he learned of these secret treaties, which not only destroyed the value of our Pacific naval base but at the same time inserted her bitterest enemy into the heart of China, America's real friend in the Orient. Mr. Lansing made a similar statement to the press many months after Mr. Balfour's departure. My own experience, which related to the ship provisions of the secret treaties, is equally clear on the issue.

Liberal America should permit the renewal of the loan of the four billions, for we should be generous with liberal England in spite of her diplomats' methods. However, it should not be with that naïve trustfulness which makes so painful the disclosure of its simplicity.

Very faithfully, yours,

WILLIAM DENMAN.

Mr. McKELLAR. Mr. President—

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Tennessee?

Mr. PHELAN. I do.

Mr. McKELLAR. In this connection I call the Senator's attention to the fact that when Mr. Balfour was here in this Chamber, in speaking with him he said that England's position in the war was extremely perilous, and that the entry of the United States into the war had saved England; and now they are not even paying the interest on the loans we made them!

Mr. PHELAN. So much for duplicity; so much for Dr. Jekyll and Mr. Hyde; and so much for the traditional reputation of Great Britain, "perfidious Albion," that she denies her own faith; that she makes promises which she never redeems; and that she is treating little Ireland to-day with greater rigor and severity than ever Cuba was treated by Spanish conquistadores or Belgium by the hated Hun.

Until that is understood by the American people, England will be allowed to slaughter men, women, and children in Ireland for the purpose of exterminating a race which they can not subjugate; and even then the Irish dead seem to have a way of rising even from the grave, as is evidenced by their long history, in order to meet again their powerful foe. An Irish martyr fights eternally!

I must confess to a little feeling in the matter. I love liberty and justice. I hate to see my country made the victim of British blandishments. These gentlemen come over here, are feted and dined, and they tell the conference, which the Secretary of State himself attended, that they will hold nothing back. At that very time they had in their pockets secret treaties which destroyed the powerful and strategic position the United States possessed in the ownership of Guam in the Pacific. They bartered the Mariana, the Caroline, and the Marshall Islands to Japan by secret treaties, and the United States, surrounded by Japanese territory by the grace of Great Britain, something which had been consummated practically at that time, was, having been left in ignorance of this duplicity, led to contribute \$4,000,000,000 to save "Merrie England" from the wrath of the Hun. The English are not a humorous people, but this is the time when they must have laughed.

It was not a brotherly or a neighborly act, but in these transactions of state that side of England which is barbarous and cruel and perfidious developed itself again, and the United States is the victim. Now they ask that the interest on their debt be remitted or that the payment be deferred.

Mr. KING. Mr. President, does the Senator say that England is asking for a remission of interest, and by that does he mean that she is asking to be excused entirely or relieved from the payment of interest?

Mr. PHELAN. No. I understand that at her instance the United States Government has deferred, for a period of three years, the payment of interest.

Mr. McKELLAR. In view of the legislation under which these loans were made, acts of Congress of 1917 and 1918, does the Senator know of any authority in the executive officers of the United States to defer the payment of interest for three years?

Mr. PHELAN. Mr. President, I am not aware that there is any authority in the State Department or the Treasury Department, or in any other department of the United States, to defer the payment of interest. Perhaps the Senator is better informed. It seems to me there have been very many loose methods introduced into the departments by reason of the laxities which have sprung from the war conditions.

Mr. McKELLAR. Mr. President, I will just say that the acts under which these loans were made are very specific. They direct that long-time bonds, not for a longer time than American bonds issued at the same time, and at the same rate of interest, be taken for these loans, and that these are to be interest-bearing bonds, in the same way that our bonds are issued and in the same way that our bonds bear interest, and with like periods of payment. There is no rule better settled in law than that a legislative authority must be strictly carried out by the executive officers of the Government. They can not proceed beyond and they can not make agreements that are not authorized by the act.

My reading of those acts leads me to believe that there is not a sign of authority for the Secretary of the Treasury to do anything except to take long-time bonds, with interest-bearing coupons, such as are provided in the act. He has no authority whatsoever in that act, or any other act that I have been acquainted with, to defer payments or to extend the time of payments.

I wrote the Secretary of the Treasury just before Congress convened, asking him to furnish me information as to what had been done about these loans. He wrote me a letter, in which he stated that the information would be in his report, which came out December 8 last. When the report came out there was no such information in it, and I am rather surprised at the Senator's statement that an agreement has been entered into between our Government and England by which the payment of these debts is postponed for a period of three years, because the acts do not provide for any such postponement.

Mr. PHELAN. The payment of interest.

Mr. McKELLAR. There is no such provision made about the interest, and the Secretary of the Treasury can not go beyond the acts under the law.

Mr. PHELAN. It was my information, which I derived only from the newspapers, that there was an understanding by which the payment of interest should be deferred for three years.

The papers are the great source of all our information, exhibiting a certain degree of accuracy, possessing information which should be in the possession of the legislative bodies, but which only seeps to the legislative bodies through the press; so I am not apologetic for quoting the press. They say that there is now on the way here from Great Britain a gentleman, whose name they give, not associated with the British Government, coming for the purpose of negotiating for a settlement of the debt due to us by Great Britain, intimating that there may be some obligations which we owe to British subjects growing out of the war which might be used in part as an offset, and intimating further that the money was given for the purpose of prosecuting the war in which we were all interested, and that it might be pleasing to the gracious Secretary of the Treasury to make the payment of the English debt to us dependent upon the collection by England of debts due her by France; and there are a great many points which might be debated over a dinner table by which American rights might be bartered away in order that a better understanding should remain between "the great English-speaking nations, which have so much in common," a sentiment that has been worn threadbare by abuse.

I should say it would be the duty of the Treasury under the law to require the payment of the debt, making such terms as would be advantageous, if you please, not in the oppressive sense, but advantageous to American interests; and one effect would be to require her to pay her debts, and at the same time abandon her world policy, emulating the Hun, of corraling and monopolizing the natural resources of the world, especially

oils. Our diplomatists would see that that was no hardship in requiring a rich country to pay her debts, as it merely means a burden of taxation a little heavier upon her people; and if they were wise they would see that by requiring her to pay her debts they would accomplish in a most gentlemanly and courteous way the great purpose which American statesmen should have in mind, of preventing British aggression and of protecting our interests upon land and sea, of protecting the merchant marine and the Navy, whereby the merchant marine and the Navy may get oil supplies at stations anywhere throughout the world; or American nationals may, under the full protection and without the opposition of this world empire, develop oil to be sold in the markets of the world and not withheld from American ships.

In my own State, one of the great oil-producing States of the country—which makes me more or less familiar with this oil situation—Great Britain has quietly purchased our oil lands after they had been developed—the proven oil lands—and Great Britain, as ought to be well known by this time, is operating under the name of the Royal Dutch Shell Co. The Shell Oil Co. of California, a branch of the Shell Trading & Transportation Co., and the bigger Royal Dutch Shell Syndicate, is one of the British owners, while another is the Alexander Wier Syndicate, of London, which owns a large block of stock in the Union Oil Co., of California, and which at one time actively controlled the General Petroleum Co. of the State.

Now, they are acquiring the stock of the Union Oil Co., and I noticed recently that they have transferred some English properties to that California corporation, which they in turn own, and that grows out of the fact that there is proposed in the California Legislature a bill barring from ownership of the land any alien person or corporation; that Great Britain having taken the oil of Mexico, Syria, Belgium, Palestine, and Mesopotamia, California is attempting to protect herself. Talking about sovereignty, the Federal Government has limited sovereignty except when it abandons the constitutional means and declares a war emergency. But the Federal Government was asked to impose an export tax. It was said that it could not be done, because the Constitution barred it. It was asked to impose an embargo, but it was said by some that was not tolerated by our law in time of peace. What can the Federal Government do to prevent Great Britain from taking the oil of California?

Mr. McKELLAR. Mr. President, if I may be allowed to interrupt the Senator, there is no inhibition in our Federal Constitution against an embargo, and under the uniform practice of this body, beginning with President Washington's administration and coming on down to President Wilson's administration, embargoes have been uniformly placed whenever this Government saw fit; and since the *Aurora* case, in 7 Cranch, I believe, one of the early reports of the United States Supreme Court, it has been held constitutional. There is no reason in the world why an embargo can not be placed upon the export of our oil whenever Congress desires that it be done.

Mr. PHELAN. I am very glad to have that assurance from the distinguished lawyer from Tennessee. I remember only last year moving that the President be given power to impose an embargo upon the shipment of oil from this country, as an amendment to the leasing bill, and some Senators observed that there was no authority, as I understood, for Congress conferring that power upon the President, except as a war measure; and, on the other hand, it was objected to on the ground that it might provoke retaliation. We are the persons who are being discriminated against in the world, and the party of the other part is the aggressor. They have denied Americans the privileges of exploration and development in other lands, and if we impose an embargo, or put that power in the hands of the President, we are simply retaliating for injuries that have been done us.

Mr. KING. Mr. President—

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Utah?

Mr. PHELAN. I yield.

Mr. KING. I was interested in the statement made by the Senator that his State is contemplating, as I understood him, the passage of a law to prevent aliens from acquiring lands within the State of California. I hope the Senator will not give his support, by any implications to be derived from his statement to-day, to that proposition. I invite the Senator's attention to the fact that we are a creditor nation, and it is obvious that we will be compelled to acquire holdings both real and personal in other countries by way of capital investments if we do any considerable trade with other nations. When we were a debtor nation other nations acquired large

holdings in the United States and our commerce was extended by foreign investments. Railroads in the Senator's own State were built in part with money which came from across the seas, and many of our industries were developed with capital which was furnished by foreigners. We were benefited by the transactions, and other nations were benefited. I should be glad to see our trade and commerce extended and markets opened for our surplus products. Congress recognizes the vital necessity of finding foreign markets for our products, and is seeking to furnish credits to Europe in order that the surplus agricultural products of the United States may find markets. But if we develop our commerce to the extent essential for the highest prosperity we will be compelled to make some capital investments, whether we will or no, in the nations which buy our commodities. Our citizens will enter other lands and acquire property. They will in the future more than in the past become the owners of real and personal property in foreign countries.

Americans have farms and ranches and sugar plantations and mines and smelters and railroads and electric plants in our neighboring Republic, Mexico. American holdings there amount to more than \$500,000,000. We have holdings in Central America and in South America. Thousands of Americans are visiting the Republics to the south of us, and also Canada and its various Provinces. Many are establishing homes in those countries and becoming interested in the industrial life of the people.

In my own State a number of corporations have been formed for the purpose of making investments in Colombia and Panama, and I am sure that a profitable trade will be developed between the United States and Colombia as the result of investments which are being made by Americans in Colombia. I am afraid that if the Senator's State passes legislation of the character referred to and that example should be generally followed by the other States of the Union, we would be met by reprisals from other nations and they would enact legislation forbidding Americans from acquiring property therein. If this resulted, might we not lose more than we would gain by prohibiting all aliens from acquiring property in the United States?

Mr. McKELLAR. Mr. President—

Mr. PHELAN. I yield to the Senator from Tennessee to answer the question of the Senator from Utah. His resolution provides for reciprocity, I believe.

Mr. McKELLAR. I do not want to answer so much as I wish to ask a question of the Senator from Utah.

Mr. KING. By the courtesy of the Senator from California?

Mr. PHELAN. Certainly.

Mr. McKELLAR. The Senator holding these views, I ask if he would not be in favor of a law establishing reciprocal relations between Governments; in other words, permitting other Governments and the nationals of other Governments to acquire oil in this country, provided that the United States and her nationals are permitted by such other Governments to acquire oil in the territories of such other Governments. Is not that a perfectly fair reciprocal agreement, and ought it not to be made in the interest of Americans and American rights?

Mr. KING. If I apprehend the question of the Senator, I would respond affirmatively. I believe in reciprocal trade relations between our Government and other nations.

Mr. McKELLAR. That is what I thought the Senator believed.

Mr. KING. The Senator will recall, without having, of course, in mind the subject now under discussion, the last speech delivered by President McKinley. He pleaded for reciprocity and advised his own party indirectly and the American people that the permanence of prosperity in our own country depended upon our trade with other nations. He recognized that the time had come for the modification of the tariff policies advocated by the Republican Party and for larger and freer trade relations between all the nations of the world.

I shall be glad to see reciprocal relations or agreements entered into between the United States and other nations owning oil property, by the terms of which, if they acquire oil possessions here, American citizens shall be permitted to acquire oil possessions there. At any rate, I think I should favor a policy which would preclude the nationals of any country from acquiring oil holdings in the United States if such country denied the right of Americans to secure similar rights in such country.

Of course, we have always to keep in mind the proposition that we have a dual form of government, and the rights of States, as suggested by the Senator from California, are not to be overborne by the Federal Government. There are certain powers which the States possess under our form of government that may not be abridged by the Federal Government. I

would not favor the Federal Government taking any step, no matter how advantageous it might be generally, that might result in the abridgment of the rights of the States or the destruction of the prerogatives and powers reserved by the people to themselves or to the States, respectively.

Mr. McKELLAR. If the Senator from California will permit me to interject an answer to the Senator from Utah, I will call the Senator's attention to the constitutional situation in the case of *Field v. Clark* (143 U. S.), in which all the authorities are gone over.

Mr. KING. I am familiar with that case.

Mr. McKELLAR. I am sure the Senator is. It is one of the most famous cases in our books. I suggest to the Senator that I have put in the Record so much of that opinion as bears upon the particular bill now under consideration by the Senate.

I will say to him also that in obedience to a Senate resolution of last March, in May of last year the President of the United States reported that certain countries excluded America and American nationals from acquiring oil properties, and those countries were virtually coextensive with the British Empire.

Those countries were given by name. There is a report to the Senate, which the Senator can examine, giving the laws by which Americans are excluded. I am sure, in view of the Senator's statement, that when he comes to examine the law in the case of *Field* against *Clark* and the report of the President, which I have mentioned, that he will support the bill which has been introduced.

Mr. KING. Will the Senator from California pardon me a moment?

Mr. PHELAN. Certainly.

Mr. KING. Did the Senator from Tennessee state that England has attempted legislation which would exclude Americans from acquiring holdings, for instance, in Australia, or Canada, or South Africa, or New Zealand?

Mr. McKELLAR. England herself, and in each one of those countries that has been done. It has been done in England and each dominion has taken a like step. She has done it by what are known as orders in council, as the Senator will find.

Mr. KING. May I inquire of the Senator whether those orders in council are operative now and have been continued beyond the time when Great Britain became a party to the peace treaty with Germany?

Mr. McKELLAR. Yes. The President's report of the 17th of May last, as I recall, gives a detailed statement. I do not have it before me at this moment. I shall secure a copy of it and present it to the Senator, because I am sure he will find it interesting in view of the situation.

Mr. KING. Let me say in conclusion, if I may further trespass upon the time of the Senator from California, that if any nation, whether it shall be a dominion of Great Britain or Great Britain herself, or any other nation, enacts legislation that prevents Americans from acquiring holdings, whether they be oil holdings or any other form of property, within the limits of her territory, I would support any legitimate and proper measure that would place their nationals in a like situation in the United States.

We are entitled to fair treatment at the hands of every government, and if they seek to interdict our trade or seek to prevent Americans from making investments, capital or otherwise, in those lands, I see no reason why we should not apply the *lex talionis* and protect the rights of American citizens everywhere under the shining sun.

But I wish to add this: I am somewhat surprised at the statement of the Senator. I will not challenge its correctness, but it had not been called to my attention that Great Britain, which owes so much of her prosperity to her foreign trade and investments, should now adopt a policy which inevitably, if she shall long pursue it, will bring reprisals and will strike at the very foundation of her national prosperity and her commercial activity in the world. She will bring down upon her head the wrath of offended nations and her crown of primacy will be stripped from her, if it has not already been done by our Nation, the giant of the New World.

Mr. McKELLAR. If I may interject again, I will say that the same view that the Senator has just expressed was, as late as November 27 last, expressed by one of the leading oil journals of London, in which it was said that the policy which the British Government had undertaken in regard to oil, especially so far as its agreement to exclude Americans and others from Mesopotamia and Palestine, was a mistaken policy, and that the British Government ought to revoke it. It will be seen that even in England all of them do not approve—at least this particular journal, which is an organ of the trade—of the English policy.

Mr. KING. Of course, the Senator knows that Great Britain has no control over Canada or New Zealand or South Africa or Australia—I mean control for the purpose of determining the landed policy which they shall adopt, and those dominions may enact such legislation as they please, the effect of which might exclude Americans or Germans, or any other nationals, for that matter, from acquiring oil holdings or other property within their boundaries.

Mr. McKELLAR. Of course, I understand that, but it is a little remarkable, and I think the Senator will admit that the President's report shows—there may be one or two exceptions to the rule—that practically only English dominions have barred Americans and others from obtaining oil lands in their territory.

Mr. PHELAN. Mr. President, the Senator from Utah asked me a question concerning the law proposed to be enacted by the Legislature of California forbidding the ownership of any part of its soil by foreign nationals or foreign corporations. At first he deprecated the idea, but in the course of the debate, when better informed by the learned Senator from Tennessee [Mr. McKELLAR], saw the necessity of protecting American interests, because it is well known that Great Britain has practically forbidden the nationals of the United States from operating in British territory oil wells, either the exploitation or the development of them, and also, as I understand it, in the mandatory countries, mandates for which she has recently assumed in the Near East.

Mr. KING. Will the Senator from California pardon me further?

Mr. PHELAN. Certainly.

Mr. KING. In anything which I said subsequently to the expression that I hoped that the Senator's State would not enact the legislation referred to, I did not intend to qualify or modify that general statement. I repeat that at the present time and in the light of present world conditions I would regard it as a mistake if the State of California or any other State should enact a general statute which in terms forbade the nationals of any other country from acquiring or holding property within that particular State or any State. I am not discussing the policy which should be adopted by any State or by the United States if a nation should prohibit Americans from acquiring or owning property within its borders. But as a general proposition, if the State of California or any State should now pass a broad statute forbidding the acquisition of property by an alien in that State, I would regard it as an unwise policy. Of course, I am speaking only of the present and have in mind the picture of the world's affairs at the present time and our relationship to such affairs.

Mr. PHELAN. Mr. President, before answering the Senator I desire to call the attention of the Senate again to the message of the President of May 17, 1920, in response to the Senate's resolution of March 10, 1920, requesting the President, if not incompatible with public interest, to inform the Senate as to the restrictions, if any, imposed either directly or indirectly by France, Great Britain, Holland, Japan, or any other foreign country or dependencies upon the citizens of the United States in the matter of prospecting for petroleum, and so forth.

Referring to the British Empire, the President said:

In general each dominion and colony has its own legislation on the subject of the petroleum industry.

The policy of the British Empire is reported to be to bring about the exclusion of aliens from the control of the petroleum supplies of the Empire and to endeavor to secure some measure of control over oil properties in foreign countries. This policy appears to be developing along the following lines, which are directly or indirectly restrictive on citizens of the United States:

1. By debarring foreigners and foreign nationals from owning or operating oil-producing properties in the British Isles, colonies, and protectorates.
2. By direct participation in ownership and control of petroleum companies.

3. By arrangements to prevent British oil companies from selling their properties to foreign owned or controlled companies.
4. By orders in council that prohibit the transfer of shares in British oil companies to other than British subjects or nationals.

It is understood that the British Government has a controlling interest in the Anglo-Persian Oil Co. and that it has also assisted in the development of the Papuan oil fields by bearing one-half of the expense and contributing experts.

It may be of some significance that by general license of September 1, 1919, prohibited transactions under the regulations of the defense of the realm act were again permitted except as such transactions might relate to oil-mining property.

They excepted oil-mining property from the liberal exceptions of their war legislation; oil-mining property would not be released; and foreigners should be debarred from interfering in anything that affected the development and the production of petroleum oil. We must bear in mind the importance of petroleum oil in order to understand the significance of the action of the British Government. The President continues:

According to recent reports prospecting for petroleum is lawful in the United Kingdom only by the board of trade or the minister of munitions or persons authorized by them. Similar regulations apply to working a petroleum property. The only drilling now going on in the United Kingdom for petroleum is being done by S. Pearson & Son (Ltd.), as petroleum development managers to the Government. It is said to be unlawful for a British citizen, without the consent of the board of trade, to transfer to an alien or to a foreign-controlled company any interest in a company controlling an oil field in the United Kingdom. (Defense of the realm act of 1915 as amended Oct. 23, 1917, regulation No. 30, BR.)

That simply confirms what I have said, that the British Government is monopolizing the oil of the world and debarring foreigners from participation not only in Great Britain but in her dependencies, protectorates, and mandates. So the fight is on. Shall we respond in the spirit of retaliation, or shall we submit to the injury without protest? California proposes to retaliate. Because the Federal Government has no power, California comes to the aid of the Federal Government. The Federal Government can not pass a statute by which the nationals of Great Britain can be barred from ownership of American soil. What is the poor United States going to do? The United States must appeal, in the spirit of reciprocity and reprisal, to the States of the Union severally to enact through their legislatures laws barring Great Britain or any other country that adopts such an attitude toward our Nation and our nationals. So California proposes to pass an alien land law, barring all aliens from the ownership of land, whether it be agricultural or mineral.

Last November California passed by popular vote an initiative law barring from the ownership of the soil those aliens who were ineligible to citizenship, which included the Japanese, the Hindus, and the Chinese. So now we have a good law upon the statute books, barring certain aliens from the ownership of our soil. It was intended by that act to protect the agricultural lands of the State from being monopolized by persons who were racially incapable of becoming citizens because they can not assimilate and make a homogeneous people. If I should analyze the question, it would be seen that to permit them to enjoy citizenship would be to plant the seeds of democratic dissolution, and we should have no democracy, for we can have none where we do not have real equality among our people, with the right to intermarry and to grow up as one family. We can not grow up as two families without having a divided house, and "if a house be divided against itself, that house can not stand."

Mr. KING. Mr. President, will the Senator yield to me?

Mr. PHELAN. I yield.

Mr. KING. I understand the Senator's statement to be that his State proposes now to enact a law which will prohibit all aliens from acquiring land, either mineral or agricultural, or any real estate holdings, I presume, within the State. Would he go so far as to prevent aliens from holding personal property?

Mr. PHELAN. No.

Mr. KING. The prohibition, then, will apply merely to real estate?

Mr. PHELAN. Yes.

Mr. KING. The Senator knows that there are many people from his State who have large holdings in Mexico, and those holdings are not limited to personal property, but consist very largely of real estate. There are a number of people from my State who have real estate as well as personal property in Mexico and also in South American Republics. And at the present time there are billions of dollars worth of property owned by American citizens in other countries, and in order to sell our surplus products Americans have extended to Europe during the past two years nearly four billions of credits. In some cases they have obtained European securities and perhaps in some instances have taken property—situate in Europe—in part payment.

I desire to ask the Senator as one who desires the welfare not only of his own State but of all the States and of all the people within the States whether at the present moment he justifies legislation of the character just referred to; and whether he does not think that such legislation may be seized upon by Obregon or by foreign Governments as the basis of a policy that will prevent Americans from acquiring property within such countries?

The Senator knows that in South America and in Central America to-day there are some people who distrust the United States. They think that we have sinister designs not only upon their Governments but upon their property; that we are now maintaining in the Panama Canal Zone a large number of soldiers not for the purpose of protecting the Panama Canal but as a sort of menace to and threat against Latin America. Does not the Senator think that if his State and other States in the Union should enact legislation of the character referred

to it would provoke hostility from our neighbors to the south, whose friendship we so much desire, as well as the hostility of people in Europe and elsewhere; and that they might be led to legislate along the same lines, so that we should be precluded from making capital investments in other lands for the purpose of aiding our trade as well as for other legitimate and proper purposes?

Mr. PHELAN. The Senator from Utah does not, of course, include Great Britain, for I have just demonstrated to him that Great Britain has already barred Americans.

Mr. KING. Mr. President, if the Senator will pardon me, I was speaking of a general statute; I am not speaking now of a State passing a law by way of retaliation against some other nation that has precluded Americans from acquiring property within its borders. If the legislation to which he refers is leveled against Great Britain alone, and Great Britain has prevented Americans from acquiring real estate within her colonies and dominions and within Great Britain herself, another question is presented, and I might very heartily concur in legislation of that character; but a broad statute, aimed at the whole world, I think, would be a mistake, and we would suffer more, perhaps, than other nations.

Mr. PHELAN. The Senator is aware that Great Britain is not the only offending country. I refer him to the President's letter and I also refer him to the report of the Bureau of Mines, where each country in turn is mentioned, and most of them have imposed either prohibitions or restrictions. It seems the policy of all these countries is to hold the oil—this new-found precious mineral—tight in their own possession. For that I am not disposed to blame them, but I want the same privilege for the United States. The Senator admits that there is no power in Congress to protect the United States; so the protection given to this country must be given by the several States themselves to prevent the depletion of our supply.

Mr. KING. Mr. President, I hope the Senator will pardon me, but I do not wish him to misinterpret anything that I have said. I have said nothing to indicate impotency on the part of the Federal Government to protect itself. I merely stated that the Federal Government could not interfere with the prerogatives and rights of the States; there are some things in which the States are supreme; there are some things in which the Federal Government is supreme. I agree with the Senator from Tennessee as to the power of the Government to lay an embargo. I discussed that question to some extent in 1917, when the question of embargo was under consideration here, and called attention to some of the acts that were passed by Congress in the time of Thomas Jefferson.

Mr. PHELAN. As to the embargo, I again remind the Senator that I proposed such a provision as an amendment to the leasing bill, but received no support in the Senate. I considered at that time that it was the only Federal remedy possible. Granted that the power reposes in the United States to impose an embargo, then such action should be taken at once by Congress, because, as I stated at that time, by giving the President power to impose an embargo the foreigner would be deterred from acquiring American oil lands, for if he could not export the oil he would not seek the land. However, that remedy was denied, and since then large tracts have been acquired.

Mr. President, a very curious thing happened in Washington the other day. During the conversations between the Japanese ambassador and the State Department, I learn from the newspapers again, it was suggested as a measure of pacification to the Japanese that California, having by plebiscite denied them the ownership of land, it was now proposed by the legislature to enlarge that prohibition to include all other nations; and therefore the Japanese might go back to their people and say there is no discrimination against them; that the law is universal in its application. The Japanese took time to consider it, and after a day or two came back—having been visibly pleased, I am told, by the proposal—to say that they could not consider it at all; and I am again informed by the mysterious and underground sources of information, as well as by the public press, that there was some sort of a conference between British interests and Japanese interests, and that Japan was told not to accept that as a compromise because it would bear too hard upon her distinguished ally, Great Britain, which was trying to hold onto her oil lands in California and even to acquire more.

We are diplomatically unwise. We are foolish in our generosity. What has happened within the last two months in California? The Shell Oil Co., the British company, has sold to Japanese tankers, three of them—I think there is one in the harbor now—which have come all the way from Japan to take our oil, our California oil, of which there is an insufficient

supply for our needs, and carry it over, I am told, to their great storage plants in Formosa. Two tankers took away, I am told, 86,000 barrels of oil, and I have since been advised that they paid for that oil to the British company operating in California and taking that fluid out of our soil \$1.80 a barrel, whereas American industries in California, if they are permitted to buy it at all, have to pay \$2.40 a barrel, and on top of that it is being rationed. They say who shall and who shall not have the privilege of buying it.

They are making little pretense of serving local interests, and it seems to me almost beyond belief that a foreign corporation could in any Government, even as loosely organized as our own and as generous as our own, be permitted to take out of the soil the essential fluid which can never be returned and give it to a possible enemy, who is storing it away against the day when it shall need that oil for the propulsion of its war craft.

Why, if we had that system, which is thought admirable in England, of issuing orders in council, the first act of a wise administration would be simply to interdict the exportation of any more oil from this country without a license or a permit, knowing its destination and ultimate use. But there we are, California, this fair land that produces everything in such abundance, is bleeding to death and losing its vital fluid; and where is it going? To support rivals in trade. Whether they be English-speaking or Japanese-speaking, they are rivals in trade; and certainly by no law are we obliged to facilitate the business of our rivals in trade or to build up an enemy which might ultimately destroy us.

Mr. KELLOGG. Mr. President—

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Does the Senator from California yield to the Senator from Minnesota?

Mr. PHELAN. I yield.

Mr. KELLOGG. I think it is true that the British Government and other Governments are trying to exclude American citizens from developing oil lands in their possessions. Is this Government taking any steps to protect American citizens or to procure by treaty rights for American citizens the same privilege to develop oil lands in foreign countries which foreigners have in this country?

Mr. PHELAN. I am not well advised as to that; but I read in the press again that the State Department had protested to England against the barring of Americans from participation in the development of the oil fields in the mandatory countries, in the Near East, Mesopotamia, Palestine, Syria, and also in Persia. That is the only step that I know that has been taken, and that is a matter of public knowledge.

Mr. KELLOGG. We have the power to retaliate and prevent them from doing so.

Mr. PHELAN. We have the power.

Mr. McKELLAR. Of course. I will say to the Senator that that is the purpose of my bill.

Mr. PHELAN. Did I understand the Senator from Tennessee to say that he had written the State Department for information on that subject?

Mr. McKELLAR. No; but I saw the protest of Mr. Polk, the Undersecretary of State, last March or April—

Mr. PHELAN. That is the one to which I refer.

Mr. McKELLAR. And then a letter of protest of Secretary Colby, four or five weeks ago. These protests seem to have been futile. As I understand the situation, an American oil company before the war—before we entered the war, at all events—secured permits from Turkey to prospect for oil in Mesopotamia, and probably built a railroad to carry the oil-digging machinery and supplies; but the war came on and stopped that, and when the American company proposed to continue under the Turkish permit England stepped in and said: "No; we are a mandatory for Mesopotamia, and you can not go in now," and the matter has been held up for some months.

That is the situation practically with all the English colonies, protectorates, mandatories, and even spheres of influence; and I will say to the Senator that the purpose of my bill is to require all countries that obtain oil rights here, or that obtain our oil in this country, to give American citizens exactly the same right to obtain and own and mine oil in their countries, and I think it is a perfectly fair proposition. It is in a measure retaliatory, of course, but it ought to become the law, and I hope it will become the law, and I hope the Senator will vote for it.

Mr. PHELAN. If there is no such resolution on the table, I shall introduce to-morrow a resolution asking the State Department what it has done in the matter of protecting the rights of Americans abroad in respect to the exploitation and

development of oil; but whereas, as the Senator from Minnesota says, the remedy may be in the negotiation of treaties, still there is no such protection given American citizens, as I understand, in these matters, and we must, therefore, fall back upon statute law.

Mr. KELLOGG. I did not say that that is the only remedy.

Mr. PHELAN. It is one of the remedies.

Mr. KELLOGG. It is one of the remedies, and the trouble might be that if the Federal Government should enter into a treaty which was contrary to the law of the State the treaty would be superior.

Therefore the Federal Government ought to try to protect American citizens by treaty rights.

Mr. PHELAN. That is another constitutional question; and I shall not enter into a discussion of the power of the Federal Government by treaty to override the act of a State acting within its legitimate jurisdiction on a subject which is not international in character. I do not know but that the ownership of land, the control of the land, the succession to the land, as we have always claimed in the discussion of the League of Nations, is a domestic question, and it is an impertinence for a foreigner either to demand admission to the country, which is our country, or to own its lands; and therefore these subjects are not international. It is an invasion by a foreigner into our domestic affairs, and, not being international, it might not be competent for the President and two-thirds of the Senate to set aside a statute of a State. That is a nice question.

Mr. KELLOGG. Mr. President, I do not want to interfere with the Senator's argument. I quite agree with the Senator that we ought not to admit foreigners to become citizens of this country who will not amalgamate and make a homogeneous people. I think it is a vital question to the national life of this country. But the status as a legal proposition of a foreign citizen in any State, and his rights in those States as to ownership of property, is a Federal question which may be regulated by treaty; and when the treaty is made, if such a one should be made, it is superior to the laws and the constitutions of the States. The Supreme Court has settled that question. So I think it is important that such foreigners should be excluded by treaty, and that the Government at least ought to exercise all vigilance possible by treaty to protect the rights of American citizens in foreign countries.

Mr. KING. Mr. President, will the Senator yield?

Mr. PHELAN. I yield.

Mr. KING. I think one statement of the Senator from Minnesota may be construed a little too broadly, and I ask for information. The Senator indicated, as I understood, that there ought to be a treaty for the purpose of determining the rights of aliens in the United States, and I agree with him; but I understood him to indicate that unless that were done it might lead to very serious complications. I did not quite understand the point of the Senator.

Mr. KELLOGG. No; I did not say that. I said simply that if the Federal Government did by treaty provide what rights foreigners should have in this country, it was the supreme law of the land. That is all I said.

Mr. PHELAN. Mr. President, I have been turned from a discussion of oil to immigration—a subject which I should like to discuss by itself, because I am intensely interested in the solution of the immigration question. The Senator from Minnesota states, however, that by treaty a State may be deprived of the power which in the absence of a treaty it would be entitled to enjoy, or that as against a State law the treaty would prevail. Doubtless in many instances that is so; but there is one consideration to which I will refer, and then I shall discontinue that part of the discussion.

The theory of that power—the power of the President, by and with the consent of two-thirds of the Senate, to make treaties—must have been based, in the minds of the Constitution makers, upon the fact that the States composing the Federal Union, being represented in the Senate, would be able to look after their own interests, and that there would be some comity between the representatives of the several States by which injury would be prevented which would apply to one State by reason of its peculiar resources and which would not apply to another State; and that is our condition in California. We come to the States of the Union, represented in the Senate, to protect us either by treaty or by statute against any danger which may affect the substantial interests of the people of the State, such statutes or such treaties not affecting at all the other States, because in the one instance they may not have among their resources oil, or in the other instance they may not be exposed to oriental immigration. So we are quite willing to come to the Senate for our protection; but the Senator from Utah says, as though

it were a new matter, that we would excite the animosity of the world if we passed any laws barring as a general proposition foreigners from ownership of the soil. I call his attention to the Federal statutes which apply to the District of Columbia and the Territories. Here is a statute which apparently has been forgotten, by which no alien can own land in the District of Columbia:

#### CHAPTER VII.—ALIENS.

Sec. 396. Real estate: It shall be unlawful for any person not a citizen of the United States or who has not lawfully declared his intention to become such citizen, or for any corporation not created by or under the laws of the United States or of some State or Territory of the United States, to hereafter acquire and own real estate, or any interest therein, in the District of Columbia, except such as may be acquired by inheritance: *Provided*, That the prohibition of this section shall not apply to cases in which the right to hold and dispose of lands in the United States is secured by existing treaties to the citizens of subjects of foreign countries, which rights, so far as they exist by force of any such treaties, shall continue to exist so long as such treaties are in force, and no longer, and shall not apply to the ownership of foreign legations or the ownership of residences by representatives of foreign governments or attachés thereof.

Sec. 397. Corporations: No corporation or association of which over 50 per cent of the stock is or may be owned by any person or persons, corporation or corporations, association or associations not citizens of the United States shall hereafter acquire or own any real estate hereafter acquired in the District of Columbia.

Sec. 398. Forfeiture: All property acquired or held or owned in violation of the provisions of this chapter shall be forfeited to the United States, and it shall be the duty of the United States attorney for the district to enforce every such forfeiture by bill in equity or other proper process. And in every such suit or proceeding that may be commenced to enforce the provisions of this chapter it shall be the duty of the court to determine the very right of the matter, without regard to matters of form, joinder of parties, multifariousness, or other matters not affecting the substantial rights either of the United States or of the other parties concerned.

The United States, you will observe, has set the pace.

I understand that there is an act on this subject applying to and including the Territories of the United States, and I know that the State of Oklahoma, and the State of Arizona, and the State of Illinois, and the State of Washington have statutes barring foreigners from ownership of the soil, and that there are restrictions in other States, such as Indiana, Pennsylvania, and Minnesota.

So it is a matter of Federal policy, as well as in many States State policy, to bar foreigners from the ownership of the soil. It is established law. What injury can it possibly do? The injury might be in retaliation. But we find the world has already taken an aggressive stand against us. So our act will be retaliation.

We depend upon Mexico for oil. Is there the least danger of Mexico in good faith retaliating? No; because Mexico, having an abundance of oil of her own, is not seeking California oil. She does not bar anybody from the development of oil, so far as I know, but there have recently been imposed some restrictions, which have been rather burdensome to the oil operators, more in the nature of excess taxes, I should say, or legislation affecting the absolute ownership of the soil. But it is not done, certainly, in the spirit of retaliation, because Mexico is not barred through her nationals from coming into most of the States of the United States, and if barred, by a prohibitory statute, it would not affect Mexicans, because it is well known that they do not develop foreign countries; they do not develop their own country. Living in a poor country, without any capital, they are not going out into strange lands to explore for oil.

So, as a practical proposition, I do not see how the proposed law in California, if it is enacted, would operate except as retaliation against the countries which have already barred Americans.

But the advantages and benefits must be weighed by legislators. California has a great field of oil. We produce probably 280,000 barrels a day. That in itself is not large, but there is a great deal of oil land there which has not been developed and which should be tightly held, economically operated, and not wastefully used, because, after all, there is a limit. I am told that we have not exhausted more than 1 per cent of the estimated coal resources of the United States, but as to oil the experts say we have already used perhaps 60 per cent of the entire stored oil of the United States. So it is only a matter comparatively of a short time until we shall have exhausted our oil, and how, in the face of that, can the State legislature, conserving the interests of California and of the country, permit foreigners to come in there under any circumstances and take out this fluid and send it away to foreign lands for their use and benefit?

Mr. McKELLAR. Mr. President, I will say to the Senator that the experts say that it will all be exhausted in this country, at the present rate of production, in 15 years.

Mr. PHELAN. At the present rate of consumption.

Mr. McKELLAR. Of production, too. Of course, the production and the consumption are practically the same.

Mr. PHELAN. We can regulate both.

Mr. McKELLAR. At all events, at the present rate of production, or the present rate of consumption, it will be all gone in about that time.

Mr. PHELAN. If I were a member of the Legislature of the State of California, the question raised by the Senator from Utah [Mr. KING] would have to be very carefully considered. But reading the President's message and reading the report of the Bureau of Mines, and finding that as an actual fact Americans are barred now from operating oil wells and owning property in foreign lands, it would appeal to me as very good statesmanship to pass a blanket law barring nationals of these other countries from owning and controlling our California oil wells. As a matter of fact, it affects only Great Britain; but it would be better, I think, to make it general in its terms than to single out Great Britain as the one country because Great Britain is the one enterprising country that is going around the world looking for oil, with a view of perpetuating her primacy upon the sea.

So really this general law would affect in California only Great Britain. So it is a question of international courtesy, whether we should name the culprit, or whether we should make the law so general that it would include the culprit; and I am in favor of causing the least offense while accomplishing the greatest good. If it is true that the Federal Government has barred foreigners from owning real estate in the District of Columbia and, I believe, in the Territories, and that the States of Arizona, Illinois, Oklahoma, and Washington have such laws, the fact that California proposes to pass such a law, with such an excellent precedent, should not cause any surprise. But California has the precious fluid—that is the point—and a law there would be of some service. Furthermore, when we were liberal in giving these rights to foreigners, where we might have barred them from owning and developing the soil, it was at a time when we needed the foreign money, and the foreigner wanted a field for investment. Now, the scepter has passed from London to New York, and nobody is asking London for money, unless it be the Secretary of the Treasury, and he can not get it.

Everybody who has an enterprise goes to New York, the great money center. Therefore there is no reason—and when the reason ceases the law ceases—why we should have practically a law on the statute books of California giving Great Britain the very valuable privilege of taking our property away from us, property which we can ill afford either to sell or to give away, vital for our interests and our industries, by land and by sea.

Therefore I am of the opinion that the California statute should be enacted, and I will say that the California delegation day before yesterday in conference expressed as its opinion the desirability of enacting that statute. It will serve a double purpose there; first of giving a face to Japan. She can tell her people at home, who are clamoring in the market places for equality, that this law of California, passed by a wicked people, barring the Japanese from ownership of the soil, has now been broadened to embrace all people, and therefore Japan has been treated in terms of equality, because her disabilities are the common disadvantages of all.

The second reason is that Great Britain is under our very nose taking our oil and, which adds insult to injury, is actually shipping it in Japanese tankers to Japan. Must we tie our hands while this is going on? If the Federal Government had the power to help us, I would appeal to the Federal Government. I would be very glad, following the suggestions made here to-day, to submit a resolution to give the President power to impose an embargo, and I think that any President would, in these circumstances, impose an embargo. But in the absence of an embargo, there is no other remedy than that remedy which is possessed by the State of California, and which California proposes to use.

This is a period of international good will. We have been our brother's keeper, and the brother, having regained his freedom, is exercising it to the limit, and in the exercise of his freedom he has not exercised a very nice discrimination in serving friend as against foe. He trades with Germany, his hated enemy, in order to get in ahead of the American agents. We have been slow in concluding formally a state of peace, which should exist between this country and the nations of the world.

But our brother has not been neglectful of taking advantage of our absence from the council board. Because we did not sit in the council of the League of Nations, after having created it

by our sword, the fruit of the prowess and the courage of our men, at a critical moment, they have denied us equal privileges in Mesopotamia and other mandatory countries, and they have, pursuant to the covenant of the League of Nations giving discretion, allocated to Japan and to Great Britain the mandates for the Marshall, Mariana, and Caroline Islands north of the Equator and German Samoa south of the Equator, from which they have turned our ships by preferential treatment of their own. There has been imposed a discriminatory duty of 7½ per cent by New Zealand against our merchantmen on the value of their cargoes, and in favor of British merchantmen, in German Samoa, when, during the 16 years of the occupation by the hated Hun, Americans enjoyed equal privileges with all other nations, as they did in the Marshall and the Caroline and Mariana groups.

The good President said, in his conference with the Committee on Foreign Relations of the Senate, that there was an island over there—he did not recall the name of the island—that he would certainly get as a favor to an old servant. He would get for the United States the island of Jap—or, rather, Yap; there is a horrible significance in the similarity of "Jap" and "Yap." The island of Yap, it was testified by officials of the Government at the time, was vital for our communication between continental United States and our island possessions and Asia, a most important strategic point, a little island through which we could send our radios and lay our cables; but that, too, has gone the way of all flesh. Greed knows no friendship. The President has been undeceived. The Senate by resolution has asked in vain what has become of Yap.

Now, we have not been treated by these nations, bound in fraternal bonds, with any degree of consideration whatever, and, of course, it is reopening an old question, but the Senate of the United States is blamed for it. If the Senate had so provided, we would have had a representative on the council of the League of Nations, and we would have imposed conditions in the awarding of mandates, or we would have prevented an awarding of mandates as we saw fit, as it required unanimous action by the council, and we would have had our share of the rich oil fields of the countries in the Near East, which were disposed of by the council under the terms of the treaty. So, if it is any gratification to this side of the Chamber to know, the fault lies with the other side of the Chamber in refusing to give us representation in good season.

Now there is a change of administration, and I gather very clearly that there is going to be an international understanding by which we will participate in the settlement of Old World affairs, in the interest of justice, democracy, and humanity, and it will be a modification of the League of Nations.

Mr. McKELLAR. After the division of the spoils has been made.

Mr. PHELAN. I was going to add, we will come on there lagging, lagging superfluous upon the stage after the show is over and the doors are closed.

Mr. KELLOGG. Mr. President, for the information of Senators if they should care to look into it, the Senator from Montana [Mr. WALSH] placed in the CONGRESSIONAL RECORD on July 14, 1919, volume 58, Part 3, at page 2526, an address which I made when I was president of the American Bar Association, reviewing all the authorities upon the question of the supremacy of the treaty-making power. I did not attempt to discuss the question as to whether Japan had any treaty rights as to her citizens or not, but assuming such treaty rights, I discussed the question of the supremacy of any treaty to the laws of the States and the constitutions of the States respecting a foreign citizen's status in this country.

Mr. KING. Mr. President, in a brief colloquy between Senators during the discussion of important questions one runs the risk of being misunderstood in respect to matters under discussion. I am not sure that I made my position plain when I interrupted the Senator from California and propounded a few questions and submitted a few observations. With much of what the Senator says I am in accord.

I did not intend to convey the idea in anything stated by me that I denied the power of the States to prohibit by legislation aliens from acquiring lands or other property within their borders. I do not question the right or the power of States, subject to the treaty-making power of the Federal Government, and perhaps other limitations, to enact legislation denying aliens the right to own real or personal property within their respective borders.

The Senator has directed attention to a law of Congress relating to the District of Columbia. I am familiar with that law and recall that a number of years ago, when I was in the House, I participated in framing a statute which imposed

limitations upon the right of aliens to hold real estate within the District of Columbia. Nor am I unmindful of the acts of Congress which prohibit aliens from locating mineral lands of the United States; and I know that it has been the policy in the Territories to deny to aliens the same rights to own real estate as those enjoyed by citizens of the United States. I also am familiar with the fact that a few States have enacted similar legislation.

I repeat, it is not the question of the power of the States that I am discussing, nor am I challenging their inherent right to deal with their domestic questions, including the terms under which aliens may hold and enjoy property within the boundaries of the States. What I am questioning at the present moment is the wisdom of the policy of California, or any State, to pass laws which deny aliens the right to acquire and enjoy property, real or personal, or both, within their borders.

We can not be oblivious to the fact that the world is in an unsettled and unstable condition. Jealousies, suspicions, and profound distrust exist throughout the world. The failure of the United States to enter the League of Nations has unquestionably led some of the peoples of the world to question the sincerity of our Nation in its protestations of disinterested friendship for the oppressed peoples throughout the earth. Undoubtedly there are some nations jealous of the power and wealth and prestige of our country, and our every act, particularly if it is impressed with an international character, or affects directly or indirectly international matters, receives the most careful scrutiny in the chancellories of many nations and by many peoples throughout the world.

We insist that our Nation has given unmistakable evidence of its friendly interest in the welfare of humanity, and that it is now desirous of promoting the peace and happiness of the people of every land. The people of our Nation have rejoiced when freedom and prosperity have come to any part of the world. We have been glad when democracy supplanted autocracy, and when artificial barriers, erected at the demands of empirical statesmen or selfish groups to isolate nations and separate peoples, and interrupt legitimate trade and commerce, have been removed. We had believed that the peace of the world would be prompted by friendly commercial relations between the nations of the world. We have encouraged aliens to come to our shores and have welcomed them into the citizenship of our land. We have been glad, at a time when we were a debtor Nation, to have our creditors beyond the seas aid us in settling trade balances by acquiring property within the United States.

We not only offered no objections but earnestly sought for foreign investments in industrial enterprises and in various forms of property in our country. Billions of dollars of European capital found its way to the United States. At the time we entered the World War citizens of Germany owned property in the United States to the extent of approximately \$1,000,000,000. The subjects of Great Britain had large investments in the United States, and the investments of citizens of Holland and France and Belgium and other nations of the world reached immense proportions. While there is a feeling upon the part of many in our country that we have sufficient resources here to absorb the interest of Americans, and that there is no occasion for them to seek homes or investments under other flags or in other lands, the fact still remains that thousands of our citizens have gone to other lands and by their thrift and industry have acquired homes and property of great value. I stated a few moments ago that Americans had invested in Mexico to the extent of more than \$500,000,000. Indeed, the amount is very greatly in excess of the figures just stated. Thousands of Americans have gone into Mexico not to exploit Mexico but to aid in its development. They have contributed, by their efforts and their energies, to the wealth of Mexico, and have been benefactors of the Mexican people.

The American people realize that their prosperity is dependent upon the prosperity of the people of other nations. Efforts are being made to increase our foreign trade, and corporations are being organized for export trade. These corporations will operate in many foreign countries. American citizens will go to these countries, and thousands of them will acquire temporary, if not permanent, residences in foreign lands. The world is small, and nations and peoples are being brought into apposition, and the provincialisms, the cruel rivalries, and the crude and narrow and bigoted policies which obtained in past ages are yielding to a higher civilization and to nobler conceptions as to the relations which should exist between the children of men. International law is being rewritten, and higher standards of international justice are governing the

world. This Republic now and in the future must be an example to the world. Our policies must be those of an enlightened and progressive nation. While America and her interests and the rights of American citizens must be protected and regarded as paramount, nevertheless this Republic must pursue a course in its dealings with other nations such as to command the respect and admiration and confidence and affection of all fair-minded and liberty-loving people throughout the world.

The world has not recovered from the Great War. The nerves of the people everywhere are on edge. People are jealous and suspicious of each other and nations view with distrust and alarm nearly every step taken by one another. The great work of the hour is the restoration of peace and confidence in the world. Any policy, even though it is justifiable and under most circumstances would be proper, but which may promote unfriendly criticism or dissension or suspicion, should, if possible, be avoided at this time. Efforts are made by misguided persons here and in other lands to provoke animosities and jealousies and bitter rivalries between nations. Harsh criticisms are indulged in against Japan and Great Britain, as well as other countries, and citizens and high officials in those countries undoubtedly indulge in denunciation of the United States as well as other countries. This is a time for toleration and friendliness and broad charity. I doubt the wisdom of a policy which announces at this time to the nationals of other countries that they can not acquire property within California and other States of the United States. I am afraid the psychology of it would be bad. The object of such legislation will be misinterpreted and a broader meaning will be attributed to it, and the belief will perhaps arise that such legislation was prompted by sinister and selfish and narrow nationalistic policies.

A little later, if there is manifest danger to our institutions or if there is any injury resulting from aliens acquiring and owning property in the United States, undoubtedly the States would take proper action, and their course would meet with universal approval in our country. My fear is, as I have suggested, that legislation of the character in question, if it should be at all general in the United States, would arouse antipathies and fears and antagonisms which might be lasting among peoples whose friendship we desire and for whose welfare we have a very deep concern.

It is human nature to act upon the evidences immediately before us and to deal with questions with which we come in contact, forgetting, or at least not fully appreciating that the contacts and apprehensions of the day disappear in the sunlight and the broader vision of the morrow. Our own interest should prompt a course that will be promotive of world friendship and such as will increase our foreign trade. There were many Americans whose distempered judgment led them to denounce the League of Nations and all forms of cooperation with our Allies and with the nations of the world. There was a demand upon the part of millions of Americans for national isolation. They did not see that our prosperity and welfare were inseparably bound up in the prosperity and welfare of the nations of Europe as well as those of the rest of the world.

But now the eyes of the people are being opened, and from all parts of our land demands are made that the avenues for international trade and commerce shall be created. Upon the other side of the Chamber, and among those who opposed the League of Nations, there has arisen a demand for legislation that will aid our export trade. They have insisted that the War Finance Corporation be revived, and that we extend credits to Europe to the extent of billions of dollars, in order that the people of Europe may purchase our surplus products. Europe is unable to pay for our products because of a lack of gold and because her production is so limited that she does not possess commodities in sufficient quantities for export in payment for the commodities which she desires to purchase. I am told that Americans have, since the armistice, acquired holdings in European nations, and that even in Germany the capital stock in corporations was acquired to such an extent as to arouse a fear upon the part of Germany that America would acquire control of many German factories as well as a great amount of German property.

As I suggested, there are many Americans who deprecate capital investments in foreign lands, but so long as we have commercial relations with other peoples, and as long as we are a vigorous and adventuresome people, we will engage in business in other lands and will acquire property therein.

Mr. WILLIAMS. Mr. President, I suppose if there be one man on the floor who is pretty nearly a free trader and who believes thoroughly in untrammelled commercial relations be-

tween all the peoples of all the countries of the world; that person is I. I think with the Senator from Utah [Mr. KING] that we ought to cultivate world trade, foreign trade, as an extension of our own trade, to take care of our surplus products which are the result of our surplus labor.

But the reason which the Senator has just given for his opposition to this immediate legislation seems to me to be thoroughly irrelevant to that thought. In the first place, denying to aliens the right to own your own soil or to own anything upon your own soil, is not an interference with international commerce or with international trade, or with any commerce, call it by what name you choose.

Then the Senator tells us that if we deny to aliens the right to own property and to be capitalists, owning corporations in America, we thereby incite them to legislation which will deny us the same right within their several boundaries. As for myself, I should welcome that. I would be glad to see it. I do not approve of American capital seeking employment in Germany at this time, or anywhere else with a foundation upon the soil of other countries. While I am glad to see absolute, untrammelled trade between Jan Schmid, of Germany, and John Smith, of England or of America, I am not glad to see American capital seeking other shores for the purpose of giving employment to foreign labor upon foreign soil, whereas we have a great country of our own needing capitalistic exploitation to the highest degree and needing the exploitation of American labor to the utmost ability of American capital to employ American labor.

Nor do I see that legislation passed by any country against another to prevent the ownership of lands within the boundaries of the country passing the legislation is in contravention of any right of any people from any other country may have. From the very beginning of time that has been with the States of this Union a principle, more or less deserted of late years. Very early in our history Virginia denied the right of aliens to own land, and that was followed up in very many of the States, though after a while there came an absurd worship of immigrants and immigration and an absurd kow-towing of politicians to the immigrant vote, and as a consequence of that most of those laws were repealed with the idea of flattering the resident voters of foreign countries, so as to get their votes for political purposes by extending privileges and favors to the foreigners of their nationality that were not justified upon any ground of our own ultimate good.

I believe it would be very well if American capital would stay at home, and very well if American capital would devote itself to the employment of American labor for the purpose of building up the American commonwealth and of making American labor and American capital close and fast friends. I believe that any man who puts his money in Germany when he could put it in America is just that far lacking in a certain spirit of patriotism and devotion to his own people. I believe that a man who does it because he can make a half per cent or 1 per cent more money is absolutely lacking in patriotism. He ought to be willing to suffer a loss of a half per cent or 1 per cent rather than build up those who have but recently been the enemies of our country, if he has to do it at our expense by diverting capital whose use we need.

Not that I would desire that the enemies of our country in the late war should be held in shackles by any means. I think we have gone, if anything, too far in that direction. We ought not to go any further certainly. We ought to remember that the natural state of man is peace and not war, and, looking toward his natural state, that our duty now is to cultivate friendship and not to keep alive enmity. But at the same time, when you talk about the right of controlling your own soil and buildings upon your own soil, or about your own schools, and those other things which are peculiarly of your own soil, that is a different matter. I may love you very much, I may have the very highest regard for your character, and the highest hope for your welfare, yet at the same time I may be absolutely opposed to making you a member of my family or to allowing you to set up a mill in my back yard or to run any other works of your own over which I do not possess full control, but which you put upon my land. I do not see the analogy between the two thoughts, both of which to a large extent I represent—certainly to the very largest possible extent in America, consonant with having a revenue for the Government—the idea of untrammelled free commerce between all the peoples of the earth. I place it in my own mind upon an equality almost with freedom of thought, freedom of expression, freedom of religion, and all the other forms of freedom which are generally attacked in days of emergency, or whose temporary weakening is always afterwards regretted.

# RECESS.

Mr. CURTIS. I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock and 10 minutes p.m.) the Senate took a recess until to-morrow, Friday, January 7, 1921, at 12 o'clock meridian.

## HOUSE OF REPRESENTATIVES.

THURSDAY, January 6, 1921.

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We bless Thee, Infinite Spirit, our Heavenly Father, for the blessed promise that good shall at last overcome evil and Thy will be done. History and observation confirm the truth—

Oh, sometimes gleams upon our sight,  
Through present wrong, the eternal right,  
And step by step, since time began,  
We see the steady gain of man.

That all of good the past has had  
Remains to make our own time glad,  
Our common daily life divine,  
And every land a Palestine.

Let this hope comfort us and in a common faith move forward to the glorious consummation through the promises and incomparable life of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

### LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATIONS.

By direction of the Committee on Appropriations, Mr. Wood of Indiana presented the bill (H. R. 15543) making appropriations for the legislative, executive and judicial expenses of the Government for the fiscal year ending June 30, 1922, and for other purposes, which was read a first and second time, and, together with the accompanying report thereon, referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. BYRNS of Tennessee. Mr. Speaker, I reserve all points of order.

The SPEAKER. The gentleman from Tennessee reserves all points of order.

### CONFERENCE REPORT—OMNIBUS PENSION BILLS.

Mr. SELLS. Mr. Speaker, I present for printing under the rule conference reports on the bills (H. R. 7775, 9281, 10315, and 11554) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors.

The conference reports are, as follows:

### CONFERENCE REPORT.

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9281) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 22, 28, 30, 34, 35, 40, 50, 55, 57, 61, 66, 79, 83, 85, 92, 98, 99, 102, 106, 112, 113, 127, 130, 142, and 148.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 16, 17, 18, 19, 23, 24, 25, 26, 27, 29, 31, 32, 36, 37, 38, 39, 41, 42, 43, 44, 45, 46, 47, 48, 49, 51, 52, 53, 54, 56, 58, 59, 60, 62, 63, 64, 65, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 80, 81, 82, 84, 86, 87, 88, 89, 90, 91, 93, 95, 96, 97, 100, 101, 103, 104, 105, 107, 108, 109, 110, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 128, 129, 132, 133, 134, 135, 136, 137, 139, 140, 141, 143, 144, 145, 146, 147, 149, 150, 151, 152, 153, 154, 156, 157, 158, 159, 160, 161, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Jason Adkins, late of Company D, Fourteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of \$17 per month."

And the Senate agree to the same.